

1 STATE OF MISSOURI  
 2 PUBLIC SERVICE COMMISSION  
 3 TRANSCRIPT OF PROCEEDINGS

4 Public Comment Hearing  
 5 May 14, 2008  
 6 Jefferson City, Missouri  
 7 Volume 2

8 In the Matter of Aqua Missouri,) )  
 9 Inc.'s Request for an Increase ) )  
 10 in Rates for Water Service ) Case No. WR-2008-0266  
 11 Pursuant to the Commission's ) )  
 12 Small Company Rate Increase ) )  
 13 Procedure. ) )

14 In the Matter of Aqua Missouri,) )  
 15 Inc.'s Request for an Increase ) )  
 16 in Rates for Sewer Service ) Case No. SR-2008-0267  
 17 Pursuant to the Commission's ) )  
 18 Small Company Rate Increase ) )  
 19 Procedure. ) )

20 In the Matter of Aqua Missouri,) )  
 21 Inc.'s Request for an Increase ) )  
 22 in Rates for Sewer Service ) Case No. SR-2008-0268  
 23 Pursuant to the Commission's ) )  
 24 Small Company Rate Increase ) )  
 25 Procedure. ) )

26 In the Matter of Aqua Missouri,) )  
 27 Inc.'s Request for an Increase ) )  
 28 in Rates for Water Service ) Case No. WR-2008-0269  
 29 Pursuant to the Commission's ) )  
 30 Small Company Rate Increase ) )  
 31 Procedure. ) )

32 NANCY DIPPELL, Presiding  
 33 DEPUTY CHIEF REGULATORY LAW JUDGE

34 KEVIN GUNN,  
 35 COMMISSIONER

36 REPORTED BY:

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APPEARANCES:

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1 P R O C E E D I N G S

2 JUDGE DIPPELL: Okay. We can go on the  
3 record.

4 The Missouri Public Service Commission has  
5 set this time for a local comment hearing in case  
6 numbers WR-2008-0266, SR-2008-0267, SR-2008-0268, and  
7 WR-2008-0269, in which Aqua Missouri intends to seek a  
8 general rate increase.

9 The Missouri Public Service Commission  
10 regulates investor-owned utility companies in Missouri  
11 to ensure that those rates are just and reasonable, and  
12 also regulates the quality of service and the safety  
13 and operations of investor-owned utilities.

14 The Commission is made up of five  
15 commissioners. One of them is here with me in  
16 Jefferson City today, and that's Mr. Kevin Gunn.

17 My name is Nancy Dippell, and I'm a  
18 regulatory law judge for the Missouri Public Service  
19 Commission, and my job is to preside over the hearing  
20 today.

21 We're videoconferencing this hearing, as  
22 you know, from our offices in Jefferson City and with  
23 the elementary school in Shell Knob.

24 In addition -- in addition, we're  
25 broadcasting these hearings over the Internet.

1           The court reporter in Shell Knob is  
2 transcribing this hearing so the other Commissioners  
3 can review and read the comments. The sound and video  
4 of the hearing is also being recorded here in Jefferson  
5 City.

6           I have with me here in Jefferson City some  
7 staff counsel, and staff from the Public Service  
8 Commission, as well as an attorney for Aqua Missouri.

9           And in Shell Knob, I think you all probably  
10 met Ms. Doerhoff, who is with our Consumer Services  
11 Department.

12           In addition, I believe, Aqua Missouri  
13 probably has some representatives there, and you've  
14 probably had an opportunity, some of you, to be  
15 introduced to them.

16           Any of our staff and the Aqua Missouri  
17 representatives will be happy to stay around if you  
18 didn't have a chance to get questions, specific  
19 questions answered from them.

20           I would like to thank the elementary school  
21 for providing us with the facility, and just to remind  
22 you that comments and statements made here tonight are  
23 not associated with the school.

24           This is an official hearing of the Missouri  
25 Public Service Commission, and as such the statements

1 and testimony of witnesses will be recorded by the  
2 court reporter and will be taken under oath or  
3 affirmation.

4           The purpose of the hearing tonight is to  
5 receive comments from you about the rate increase,  
6 proposed rate increase, and the company will not  
7 present witnesses or answer questions while we're on  
8 the record.

9           The Commissioners are, also, not here to  
10 answer questions, or -- but are only here to listen to  
11 your remarks. So this is your opportunity to express  
12 your comments about the proposed increase and to become  
13 part of the official record in the case.

14           If you wish to testify, please see Ms.  
15 Doerhoff and put your name on a sign up sheet. Or if  
16 you have not done so, or when we get to the end of the  
17 list, we'll ask for additional people who haven't had a  
18 chance to sign up yet.

19           When your name is called, if you can make  
20 your way forward to the microphone, the chair at the  
21 front, so that we can see you and hear you. And I'll  
22 ask you to spell your name for the court reporter so  
23 that she can get it in the record correctly.

24           I'll ask, since there is a large crowd  
25 there tonight, that you try to be as brief as you can.

1           If someone else has made comments that you  
2 agree with, and you want to be on the record as saying  
3 I agree with what that person said, that's perfectly  
4 fine.

5           I'll also ask you not to make comments and  
6 cheers or applause from the audience. Sometimes that  
7 intimidates people who want to come forward to speak.

8           I'll ask now for the attorneys to make  
9 their entries of appearance. I'm going to start with  
10 staff.

11           MR. KRUEGER: Keith Krueger from the staff  
12 of the Missouri Public Service Commission. My address  
13 is PO Box 360, Jefferson City, Missouri, 65102.

14           JUDGE DIPPELL: And the Office of the  
15 Public Counsel.

16           MS. BAKER: Thank you, Your Honor.  
17 Christina Baker, PO Box 2230, Jefferson City, Missouri,  
18 65102, appearing on behalf of the Office of the Public  
19 Counsel and the rate payers.

20           JUDGE DIPPELL: And Aqua Missouri?

21           MS. SMITH: Thank you, Your Honor. Jane  
22 Smith with Blitz, Bardgett & Deutsch, 308 East High,  
23 Suite 301, Jefferson City, Missouri, 65101.

24           JUDGE DIPPELL: After you testified I'll  
25 also ask that you remain seated until the Commissioner

1 has had a chance to ask you any questions, and I'll ask  
2 if the attorneys have any additional clarifying  
3 questions for you. So I'll ask that you remain seated  
4 until you have been excused.

5 Marilyn, how many people do you have on the  
6 sign-up sheet at this point?

7 MS. DOERHOFF: Just a second. 18. 1-8.

8 JUDGE DIPPELL: Okay. Thank you. Let's go  
9 ahead then and get started.

10 After we've been going about an hour  
11 and-a-half I will ask the court reporter at that time  
12 if she might need a break. We might take a ten minute  
13 break at that point.

14 Let's go ahead, Marilyn, and call the first  
15 witness.

16 MS. DOERHOFF: Norman Kisler?

17 MR. KISLER: That's me. Can you see me?

18 JUDGE DIPPELL: I can. Thank you.

19 MR. KISLER: That's great.

20 JUDGE DIPPELL: Will you raise your right  
21 hand?

22 (Witness sworn.)

23 THE WITNESS: I sure do.

24 NORMAN KISLER,

25 being sworn, testified as follows:

## 1 EXAMINATION

2 QUESTIONS BY JUDGE DIPPELL:

3 Q. Would you please spell your name?

4 A. My name is Norman Kisler, N-o-r-m-a-n,  
5 K-i-s-l-e-r. I live at Lakewood Manor, Shell Knob,  
6 Missouri, 65747.

7 Q. Thank you. Go ahead with your comments.

8 A. I'm here to protest this 100 percent increase  
9 in our water. This is based on sewer, water and  
10 maintenance.11 We have no more water, no better water, no  
12 extras on the first 100 percent that was put in.13 Now, on maintenance, I live right behind  
14 this pump house, which is about 20 by 35. It's easy  
15 for me to see on three sides. I -- once in awhile I  
16 see a service truck up there with the light on. I  
17 presume they are doing work.18 One night we were late coming home, 3:00 in  
19 the morning. The truck is still there. The light's  
20 on. So I feel that something must have happened to the  
21 poor guy that was working up there.22 The truck is locked. The building is  
23 locked. I beat on the door. Woke up my neighbor  
24 because I thought maybe something happened to the guy  
25 working in there.

1                   If we're charged a maintenance call for a  
2 truck sitting there, I think that's wrong. If they  
3 have something to do inside of the water house, or pump  
4 house, excuse me, then I believe a maintenance --  
5 payable is right.

6                   You got me stuttering here. I'm looking at  
7 myself and that ain't right.

8                   The water -- I'm not used to being on  
9 camera.

10            Q.     You are doing fine.

11            A.     Do what? I didn't understand.

12            Q.     You are doing fine.

13            A.     The water that we have, sometimes we lose the  
14 pressure the way -- it is a real down trickle. And  
15 that is when one of the trucks are sitting up there.

16                   The next day, why, we have water pressure  
17 that's out of this world. The people down at the other  
18 end of the line, we needed a valve down there to clean  
19 the pipes out once in awhile because they are drinking  
20 dirty water.

21                   I am friends with the people down there.  
22 There are only 35 houses in our addition. There have  
23 only been five houses built in the last 15 years. So  
24 all of this expensive meters, and sewers, and  
25 everything, does not exist in Lakewood Manor.

1 I'm getting mad. Now I better watch what I  
2 say. I'm trying to do this very nicely, because I got  
3 a bad temper.

4 I don't -- I don't agree with this another  
5 100 percent increase because they are not doing any  
6 more work. They are not giving any more better water  
7 supply. We don't get any cleaner water supply.

8 I'm repeating myself because I'm getting  
9 nervous. I -- I don't know. I'm completely against  
10 this 100 percent increase, because there is nothing  
11 that is in there that says it would be valid to have  
12 that much more money put into it for nothing being  
13 done. That's what I want to say.

14 Now I'll answer your questions.

15 JUDGE DIPPELL: Thank you. Commissioner  
16 Gunn, did you have any questions?

17 COMMISSIONER GUNN: I do. I just have a  
18 couple questions for you.

19 EXAMINATION

20 QUESTIONS BY COMMISSIONER GUNN:

21 Q. First, have you had any water quality issues  
22 in terms of taste, odor, or any -- any problem with the  
23 water that's coming into your house?

24 A. I'm the first one off the line and I think  
25 the water is great. When you get to the other end it's

1 undrinkable.

2 Q. Have you ever contacted the company with a  
3 complaint for any report?

4 A. Oh, I have tried. And I have been so mad  
5 when I put the phone down, it's terrible. The phone  
6 number that's on the truck does not exist in the phone  
7 company. If you would give me a phone -- I'm sorry, go  
8 ahead.

9 Q. So other than -- other than the bad phone  
10 number, have you actually talked to -- gone through  
11 their call center, gone through their process of -- of  
12 contacting someone?

13 A. No. They don't answer the phone. It just  
14 rings, and rings, and rings and rings. Nobody answers  
15 the phone.

16 They are out to lunch. Yeah. I'll go  
17 along with that. I'm sorry. I'm real agitated.

18 COMMISSIONER GUNN: I understand. That's  
19 all the questions I have, sir. Thank you for your  
20 testimony.

21 JUDGE DIPPELL: Ms. Baker, do you have  
22 questions?

23 MS. BAKER: No. I have no questions. But  
24 I do thank you for coming today.

25 MR. KISLER: Thank you.

1 JUDGE DIPPELL: Any questions from Aqua?

2 Just one minute, Mr. Kisler. Mr. Kisler?

3 MR. KISLER: I'm sorry.

4 JUDGE DIPPELL: The staff?

5 MR. KRUEGER: Yes.

6 EXAMINATION

7 QUESTIONS BY MR. KRUEGER:

8 Q. I would like to ask you a couple questions,  
9 Mr. Kisler. My name is Keith Krueger. I'm the  
10 attorney for the staff.

11 A. Yes.

12 Q. Am I correct to understand that one of your  
13 concerns is that the water pressure fluctuates from  
14 time to time; is that right?

15 A. Yes. Before --

16 Q. Is that your water pressure?

17 A. Yes.

18 Q. Is that your water pressure, or the water  
19 pressure of others?

20 A. Well, I'm only concerned with myself.

21 Q. And your water pressure fluctuates; is that  
22 correct?

23 A. Yes. It has.

24 Q. Have you ever discussed these problems --  
25 have you ever called the staff to talk about these

1 problems, the staff?

2 A. If you would give me a phone number, I would  
3 be happy to consult with that man.

4 Now, I realize maintenance fees, they have  
5 to mow that -- that yard about four times a year.  
6 That's 100 by 75, so there's quite a bit of an expense  
7 right there.

8 Q. Mr. Kisler, my question --

9 A. Yes.

10 Q. My question was whether you had ever  
11 attempted to contact the staff of the Public Service  
12 Commission here in Jefferson City?

13 A. No.

14 Q. Did you ever do that?

15 A. No.

16 Q. Okay.

17 A. I was trying to call the maintenance people  
18 because they were the ones that usually come out to do  
19 the work.

20 Q. Okay.

21 A. I don't know who to contact in Springfield.  
22 I don't know who to contact in Springfield, or  
23 Jefferson City -- boy, you got me.

24 MS. DOERHOFF: Keith, I'll give them the  
25 information.

1 Q. (By Mr. Krueger) You, also, mentioned there  
2 was a maintenance truck out at the building in the  
3 middle of the night. You knocked on the door.

4 I don't think I heard the end of the story  
5 or I missed part of it. Did you find someone -- did  
6 you find someone there at that time?

7 A. No. I beat on the door until I woke up the  
8 neighbor yelling and hollering, because I thought maybe  
9 something happened, could have fainted, could have got  
10 hurt. The next day --

11 Q. Your concern was that -- your concern was  
12 that you were -- the rate payers were having to pay for  
13 this -- having this truck out there, even though there  
14 was not an employee there; is that right?

15 A. Yes. They come by the next day and picked it  
16 up. But every once in awhile the truck would sit there  
17 with the light on and I'll go up. Ain't nobody in  
18 there.

19 I would like to talk to him, in the pump  
20 house.

21 MR. KRUEGER: That's all the questions I  
22 have.

23 MR. KISLER: I don't find any people in the  
24 pump house when the truck is there.

25 JUDGE DIPPELL: Thank you, Mr. Kisler.

1           If you need to -- if you do need to contact  
2 anyone at the Public Service Commission, I believe the  
3 number should be on the little fliers that Ms. Doerhoff  
4 was handing out tonight.

5           So if you want to take that number with you  
6 for future contact information. If it's not on  
7 there --

8           MS. DOERHOFF: I've got cards, Nancy.

9           JUDGE DIPPELL: Thank you.

10          MR. KISLER: Thank you.

11          JUDGE DIPPELL: I'm sorry, Marilyn. What  
12 did you say?

13          MS. DOERHOFF: I have cards with the  
14 information, contact information.

15          JUDGE DIPPELL: Okay. Okay. Who's the  
16 next witness, please?

17          MS. DOERHOFF: I'm sorry. It is Virgil  
18 Hermann.

19          MR. HERMAN: Right.

20          JUDGE DIPPELL: Would you please raise your  
21 right hand, sir?

22          (Witness sworn.)

23                                VIRGIL HERMANN,

24                                being sworn, testified as follows:

25                                EXAMINATION

1 QUESTIONS BY JUDGE DIPPELL:

2 Q. Thank you. Could you spell your name for the  
3 court reporter, please?

4 A. Virgil, V-i-r-g-i-l, Hermann, H-e-r-m-a-n-n.

5 Q. Go ahead with your comments.

6 A. Well, when you first came on a gentleman  
7 stated that one of the reasons that they were applying  
8 for a rate increase is a new well, a new storage tank,  
9 and pressure valves.

10 Well, that was the same reason they gave  
11 two years ago, and now we're back to that. And there  
12 isn't a person in this room that will be here when that  
13 storage tank and that well is gone.

14 And the company, when they put in that, the  
15 amount of money they put in there reduces their working  
16 capital, but it also reduces their tax base. So it's  
17 not 100 percent what they put into it, their cost.

18 And I live in this Ozark Mountain area.  
19 There are no sewers in that area. We never have any  
20 meters replaced.

21 And if I could maybe compare apples with  
22 oranges, maybe a little bit. The electric company  
23 periodically comes and changes their meters.

24 This rate increase comes to about 40  
25 percent of my average electric bill. And you can't

1 tell me that it cost as much to operate that water  
2 company as it does the electric company.

3 I'm sorry. I guess that's all I have to  
4 say.

5 Q. Mr. Hermann, how long have you lived in -- in  
6 that location?

7 A. 17 years.

8 JUDGE DIPPELL: All right. Commissioner  
9 Gunn, did you have any questions?

10 EXAMINATION

11 QUESTIONS BY COMMISSIONER GUNN:

12 Q. I'll ask you the same two questions. And I  
13 may have one extra one.

14 Do you have any issues with the quality of  
15 the water, smell, taste? Is that all acceptable to you  
16 right now?

17 A. Well, I'm an old man and it doesn't matter to  
18 me. At times -- at times there are. At times there  
19 are.

20 Q. But intermittently sometimes it's okay?

21 A. Right. Correct. Most --

22 Q. Is there a problem?

23 A. Mostly it's okay as far as I'm concerned.

24 Q. If you -- have you attempted to contact the  
25 company for any -- any reason in the past?

1 A. No. I haven't. I have not.

2 Q. Do you know what your average bill was before  
3 the -- average monthly bill was before the rate  
4 increase two years ago?

5 Do you have an idea about what that was?

6 A. Well, I believe the rate for 3,000 then was  
7 \$14.31, something like that.

8 Q. What is it today, do you think?

9 A. Today it's \$17 and something.

10 (Comments in the crowd.)

11 A. (By the Witness) Excuse me. I stand  
12 corrected. It's \$28.

13 COMMISSIONER GUNN: That's all the  
14 questions I have, sir. Thank you for your time.

15 JUDGE DIPPELL: Ms. Baker, did you have  
16 questions?

17 MS. BAKER: No. I have no questions, but  
18 thank you for coming.

19 JUDGE DIPPELL: Counsel?

20 MS. HERNANDEZ: No, I don't. Thank you.

21 JUDGE DIPPELL: Mr. Krueger?

22 MR. KRUEGER: No questions.

23 JUDGE DIPPELL: Thank you, sir. Thank you  
24 very much for your comments.

25 MR. HERMANN: Shoot.

1 JUDGE DIPPELL: Who's the next witness,  
2 Marilyn?

3 MS. DOERHOFF: Wendell Wilkinson?

4 MR. WILKINSON: My name is Wendell  
5 Wilkinson. My legal address is 1002 South College,  
6 Pittsburgh, Kansas.

7 I have a home in Lakewood Manor that we  
8 spend a lot of time in.

9 JUDGE DIPPELL: Let me swear you in, sir.

10 MR. WILKINSON: Okay.

11 (Witness sworn.)

12 WENDELL WILKINSON,  
13 being sworn, testified as follows:

14 EXAMINATION

15 QUESTIONS BY JUDGE DIPPELL:

16 Q. Can you spell your last name?

17 A. W-i-l-k-i-n-s-o-n.

18 Q. I'm sorry. You said you lived in Lakewood  
19 Manor?

20 A. I -- I live in Pittsburgh, Kansas. I have a  
21 home in Lakewood Manor.

22 Q. Okay. Go ahead with your comments.

23 A. I would like to make a comment. I looked at  
24 the website for Aqua and they announced that they had  
25 record-breaking earnings last year. So now I see why,

1 because of the rate increases that they have.

2 I've been -- I have several places that I  
3 own that have various water rates. And I think I have  
4 four or five places that have -- from different  
5 communities.

6 Those rates fluctuate from \$22.06 for 2,000  
7 gallons of usage minimum. 1,500 gallons for a rate of  
8 \$7.36.

9 I have property in Central Crossing here  
10 that does \$200, I believe, a year for all the water you  
11 can use.

12 I have another place that the -- that's a  
13 rural water district that has a rate of about \$15 for a  
14 minimum of 2,000 gallons per month.

15 I got the pink sheet tonight. I was kind  
16 of astonished, because I thought originally the rate  
17 was supposed to be around \$70, which I thought was  
18 exorbitant.

19 Now I see the proposed rate is \$93.44 which  
20 is higher than anything of the proposed in the area.  
21 I'm having a hard time understanding why it's so great.  
22 Now, I know there are 35 houses in there.

23 It looks like to me we're bearing a certain  
24 burden of these high rates. It just astonishes me that  
25 my water bill can be \$93.44. This bill at Lakewood

1 Manor, originally when we started there, our base rate  
2 was \$9.02.

3           Then the rate went to, I think, around \$24.  
4 I just think this is astronomical. That's 50 percent  
5 of my electric bill if it goes to \$93, which I think is  
6 outstanding -- outrageous.

7           I think our water pressure is less. I  
8 don't think it's as strong as it used to be. There is  
9 sediment in the glass.

10           I do have a filter system in my house, but  
11 if I take it from the tap in certain areas, it  
12 doesn't -- it isn't in our whole house. It's just a  
13 water softener that's in our kitchen and our bathroom.

14           But if I put -- take a glass of water  
15 somewhere else in our house, or a hydrant outside,  
16 there is sediment in it. I have not reported to  
17 anybody. I just live with it.

18           So, anyway, I guess, basically, is I just  
19 think that raising our rates 200 percent to the \$93.44  
20 proposed is outrageous, and very -- it's going to be  
21 burdensome on a lot of people that are on fixed  
22 incomes.

23           I'm not on affixed income, but a lot of  
24 people that are, I don't know how they can stand it.  
25 I've never seen rates this high anywhere. Anywhere.

1 Thank you very much for your time.

2 Q. Thank you, sir. How long have you owned the  
3 house in Lakewood Manor?

4 A. Since 1995, I believe.

5 Q. And so the rates that you mentioned, the \$9,  
6 and whatever it was, that was the rate when you first  
7 bought the house?

8 A. Until probably three years ago. Until --  
9 when Aqua took over, that's when the rates -- when they  
10 had their first hearing, that's when the rates went up.

11 JUDGE DIPPELL: Okay. Thank you very much.

12 Commissioner Gunn, do you have questions?

13 EXAMINATION

14 QUESTIONS BY COMMISSIONER GUNN:

15 Q. Just a clarifying question. Do you -- do you  
16 rent the Lakewood Manor house to other people or do you  
17 use it yourself?

18 A. No. It's my personal -- my weekend home.

19 COMMISSIONER GUNN: Perfect. I don't have  
20 any other questions.

21 Thank you for your testimony.

22 MR. WILKINSON: Thank you.

23 JUDGE DIPPELL: Ms. Baker, do you have  
24 questions?

25 MS. BAKER: No questions. Thank you very

1 much.

2 JUDGE DIPPELL: Ms. Smith?

3 MS. SMITH: No.

4 JUDGE DIPPELL: Mr. Krueger?

5 MR. KRUEGER: No questions, Your Honor.

6 JUDGE DIPPELL: Thank you very much for  
7 your comments, sir.

8 MR. WILKINSON: Thank you.

9 JUDGE DIPPELL: Who's our next witness?

10 MS. DOERHOFF: Next witness, Wally  
11 Phillips.

12 JUDGE DIPPELL: Please raise your right hand,  
13 sir.

14 (Witness sworn.)

15 WALLY PHILLIPS,

16 being sworn, testified as follows:

17 EXAMINATION

18 QUESTIONS BY JUDGE DIPPELL:

19 Q. Thank you. If you could spell your name for  
20 the court reporter, please?

21 A. W-a-l-l-y. P-h-i-l-l-i-p-s. Wally Phillips.

22 Q. Go ahead with your comments.

23 A. Okay. I -- I also am like Wendell. We have  
24 a weekend home down here. We live in Leewood, Kansas.

25 And we've -- we've owned property here

1 since -- oh, the late 80's, mid 80's. We -- we built  
2 our house in Lakewood Manor probably in about 1994.

3           At that time when we hooked up it was -- it  
4 was \$9.02. And it stayed that way until the time that  
5 Frank Norton, who owned the subdivision, turned the  
6 water over to -- to Aqua One.

7           At the time that -- at the time that Frank  
8 turned -- turned it over, he said -- he had approached  
9 some of the homeowners to see if they wanted to -- to  
10 take over the well.

11           We didn't get together, but Frank at that  
12 time said, you better hang on because this company is  
13 going to raise your rates many times. That's -- that's  
14 their history.

15           Well, history is -- has proven itself out  
16 right that they have. And we live at the -- Mr. Kisler  
17 was talking about at the other end of the -- of the  
18 line. We're at the other end of the line. And we have  
19 noticed sediment and -- and poor water quality.

20           In fact, about a year ago we put in a -- a  
21 sprinkler system. And when we put in that sprinkler  
22 system, it might have been two years ago, we had really  
23 good water pressure.

24           Last summer we noticed it -- it dropped off  
25 considerably. In fact, if we ran a zone it was hard to

1 get water out of the tap.

2                   And I did contact Aqua. They said, well,  
3 there is -- there is no reason for that. We turned up  
4 the pressure. I said, well, the fact is we're getting  
5 less water, less flow, but much less pressure.

6                   And it went on that way for -- for a month.  
7 And I called them back. The pressure has come back up  
8 but it fluctuates. There are times we have -- we have  
9 good water pressure, and there are times we don't -- we  
10 don't have very good water pressure.

11                   I would second the thought that -- or the  
12 comment that they are very hard to get ahold of.  
13 Sometimes you can -- you can get ahold of them.  
14 Sometimes you can't. I can't tell you specifics right  
15 now, but I know I had a hard time both times I've  
16 contacted them.

17                   Our rates have gone from \$9 to a proposed  
18 \$90. If -- if Aqua made a bad decision in taking over  
19 the well, they made a bad decision. But they knew at  
20 the time that they took over the well that -- what the  
21 rates were, that they were \$9 a month.

22                   A reasonable rate increase would be  
23 something, but not ten times in -- in the time that  
24 they have -- they have had this system. This is --  
25 this is astronomical.

1                   In Leawood, Kansas, our water and sewer  
2 both is \$50 a month. And -- and much better service.  
3 You can get ahold of people. Water quality is  
4 excellent. Water pressure is excellent. It's  
5 consistent.

6                   And we'll be paying double and we don't  
7 have sewer. It's -- it's ludicrous. And I feel I'm  
8 like Mr. Wilkinson. I'm not on a fixed income yet. I  
9 will be some day, but for these people to -- to have  
10 moved down here and had a \$9 to \$18 a month, that's one  
11 thing, but to raise it to \$90. No business can do  
12 that. No -- nobody can do that.

13                   So that's -- that's all I have to say.

14                   JUDGE DIPPELL: Thank you for your  
15 comments.

16                   Commissioner Gunn, do you have any  
17 questions?

18                   COMMISSIONER GUNN: No questions. Thanks  
19 for your testimony.

20                   JUDGE DIPPELL: Ms. Baker?

21                   MS. BAKER: I do have some questions.

22                   EXAMINATION

23                   QUESTIONS BY MS. BAKER:

24                   Q. You are at the end of the line. Are you the  
25 last house on the line?

1           A.     No.  I think there is probably one more  
2 house, our neighbors, at the end of the line.

3           Q.     Have you ever had anyone come out to flush  
4 the lines that you know of?

5           A.     No.  No.  No.

6                     MS. BAKER:  I have no further questions,  
7 but thank you.

8                     JUDGE DIPPELL:  Any questions from Aqua?

9                     MS. SMITH:  No, thank you.

10                    JUDGE DIPPELL:  Staff?

11                                   EXAMINATION

12                    QUESTIONS BY MR. KRUEGER:

13           Q.     Just one question, Mr. Phillips.  Have you  
14 ever attempted to contact the staff of the Commission  
15 to discuss the complaints about the water quality and  
16 pressure?

17           A.     No.  I haven't.  I have not.

18                     MR. KRUEGER:  Okay.  Thank you.

19                     JUDGE DIPPELL:  Thank you very much, Mr.  
20 Phillips.

21                     Who's our next witness.

22                     MS. DOERHOFF:  Cherie Wegener.

23                     JUDGE DIPPELL:  Will you please raise your  
24 right hand?

25                     (Witness sworn.)



1                   We probably would like a little more  
2 information. If there are problems with our water we  
3 should be told. If there are DNR regulations that they  
4 have to comply with, we should be told before we just  
5 get hit up with all these raises.

6                   And that's my comment.

7           Q.     Okay. When was your billing problem  
8 complaint?

9           A.     It started in June of last year, I believe.

10                   JUDGE DIPPELL: Mr. Gunn, do you have any  
11 questions?

12                   COMMISSIONER GUNN: Just a couple  
13 follow-ups.

14   EXAMINATION

15                   QUESTIONS BY COMMISSIONER GUNN:

16           Q.     So the billing issue has been resolved to  
17 your satisfaction?

18           A.     It has. It took over nine months and a very  
19 frustrating series of phone calls to do it.

20           Q.     But currently your bills are coming regularly  
21 and accurately?

22           A.     Well, we have one month -- yeah. We just got  
23 it cleared up this -- this past billing period.

24           Q.     Okay.

25           A.     I would like to add -- I would like to add,

1 too, that the way that they fixed it is they pulled the  
2 meter. There was nothing wrong with the meter. Their  
3 meter would -- their computers would not accept the  
4 proper reading.

5 So what they did, in essence, was replace a  
6 meter that was just fine on its own. But in talking to  
7 the meter readers, in talking with Ms. Baker, and in  
8 talking with the people that I would call in, nobody  
9 would believe me that the meter reading was wrong.

10 So they are making unnecessary repairs  
11 based on that somebody can't put the numbers in right.

12 Q. Any quality of water issues --

13 A. No.

14 Q. -- that you've experienced?

15 A. No.

16 COMMISSIONER GUNN: That's all I have.

17 Thank you very much for your testimony.

18 JUDGE DIPPELL: Ms. Baker, do you have  
19 questions?

20 MS. BAKER: I do.

21 EXAMINATION

22 QUESTIONS BY MS. BAKER:

23 Q. Are you in Lakewood Manor or Lakewood Ozark  
24 Mountain?

25 A. Ozark Mountain. Turkey Mountain. I've

1 talked to you before.

2 MS. BAKER: I know. That's the only  
3 questions I have.

4 JUDGE DIPPELL: Any questions from Aqua?

5 MS. SMITH: No questions..

6 JUDGE DIPPELL: Staff?

7 MR. KRUEGER: Just a couple.

8 EXAMINATION

9 QUESTIONS BY MR. KRUEGER:

10 Q. Ms. Wegner, what service territory are you  
11 in? Are you in Lakewood Manor or Ozark Mountain?

12 A. Ozark Mountain.

13 Q. Okay. And you said your billing problems, I  
14 guess they originated in June of last year; is that  
15 right?

16 A. Around about June. Yes .June or July.

17 Q. Do you recall when you contacted the  
18 Commission about it?

19 A. Probably in December. And that was after  
20 monthly phone calls into the water company, Aqua.

21 MR. KRUEGER: Okay. Thank you. That's all  
22 the questions I have.

23 JUDGE DIPPELL: Thank you very much, Ms.  
24 Wegner.

25 MS. DOERHOFF: Jim Bragson.

1 JUDGE DIPPELL: Raise your right hand, sir.

2 (Witness sworn.)

3 JIM BRAGSON,

4 being sworn, testified as follows:

5 EXAMINATION

6 QUESTIONS BY JUDGE DIPPELL:

7 Q. Would you please spell your name for the  
8 court reporter?

9 A. Jim Bragson, B-r-a-g-s-o-n, 243 South  
10 Keystone, Shell Knob, 65747.

11 Q. Go ahead with your comments.

12 A. Well, I've been a resident here since '93 and  
13 haven't had much complaint about the water. When Aqua  
14 took it over I had a few sessions with them, but it  
15 wasn't anything serious.

16 And I didn't -- and I understood when they  
17 put the -- the new tank, and the new well, and all  
18 that, that there was going to be an increase.

19 But this time, as I say, we're coming back  
20 on the second year and wanting a -- a dynamic amount  
21 of -- of increase, which is beyond reason.

22 And when I got the notice I -- there was a  
23 statement in there that they had used to come up with  
24 the formula. And they were using something like 5,000  
25 gallons as a norm, and I didn't quite understand it,

1 because we're getting 3,000 gallons for \$20 and  
2 something. So I was wondering why they were using 500.

3 Further, I live in an area that's primarily  
4 weekenders. And I would imagine that the usage there  
5 is far less than 3,000 a month. Mine is less than  
6 3,000 a month and I'm year around. I have -- I would  
7 have to clarify that. I do have one month that's over  
8 3,000. That would be in August.

9 And so I just couldn't understand what they  
10 were trying to -- how they are jockeying these figures  
11 around. The -- so I mentioned it in my letter. I got  
12 no response to it.

13 But I -- I just think, like the rest of the  
14 people, we're just being asked to pay something here  
15 that's way far beyond. I have property up in Topeka.  
16 I pay far less for sewer and water. The same thing.

17 So I guess I have nothing more to add what  
18 the others have said.

19 Q. Thank you. The letter you mentioned, who --  
20 who did you send that to?

21 A. I sent it to Aqua. And I also sent it, I  
22 believe, to you folks. I got it --

23 Q. When was that?

24 A. Oh, it's been about five months ago. I got  
25 a -- I got a response to it from -- I think from the

1 Commission. I don't think I got one from Aqua.

2 And it was a computerized letter. It  
3 didn't -- it wasn't specific. It didn't answer what I  
4 was asking, so --

5 Q. I just wanted to make sure that we had  
6 received it. And I'll -- I'll have our staff double  
7 check and make sure that they got that comment filed in  
8 the comments file.

9 Commissioner Gunn, did you have questions?

10 COMMISSIONER GUNN: No. That was my  
11 question. Thank you for your testimony, sir.

12 JUDGE DIPPELL: Ms. Baker?

13 EXAMINATION

14 QUESTIONS BY MS. BAKER:

15 Q. Are you -- are you in Lakewood Manor or --

16 A. No, I'm in Turkey Mountain, too.

17 Q. Ozark Mountain?

18 A. If that's Ozark Mountain, yes.

19 MS. BAKER: That's the only question that I  
20 have. Thank you.

21 JUDGE DIPPELL: Ms. Smith?

22 MS. SMITH: No questions.

23 JUDGE DIPPELL: Mr. Krueger?

24 MR. KRUEGER: Yes. Just a couple.

25 EXAMINATION

1 QUESTIONS BY MR. KRUEGER:

2 Q. Mr. Bragson, did you say that you live there  
3 full-time or just a weekend residence?

4 A. Full-time.

5 Q. Full-time? Okay. Okay. And you understand  
6 that the -- the numbers that were presented on -- on  
7 5,000 gallons shows what the -- what the bill will be  
8 if that was the amount of use?

9 Do you understand that?

10 A. No. That's why I wrote the letter. I didn't  
11 understand what you were getting at. I -- I didn't  
12 know if you are removing the -- moving the 3,000 up to  
13 5,000, or basing your figures on the fact that people  
14 were using five -- over 5,000 -- or 5,000. I don't  
15 know. That's why I asked.

16 Q. Is it your desire to be -- to be billed  
17 according to the amount of use?

18 A. It depends on how much -- how much you are  
19 going to charge.

20 Q. Well, I'm not going to charge anything.

21 A. Okay. That's fine then. I'll stay.

22 Q. But I'm not with the company, you understand?

23 A. Okay.

24 MR. KRUEGER: I think that's all the  
25 questions I have.

1 JUDGE DIPPELL: Okay. Thank you.

2 Mr. Krueger, I would just ask if staff  
3 would follow up and make sure that Mr. Bragson gets his  
4 questions answered, and make sure he gets a good  
5 explanation.

6 MR. KRUEGER: I'll see that that's done.

7 JUDGE DIPPELL: Thank you. Thank you, sir.

8 MS. DOERHOFF: Ruth Murray.

9 JUDGE DIPPLE: Please raise your right  
10 hand.

11 (Witness sworn.)

12 RUTH H. MURRAY,  
13 being sworn, testified as follows:

14 EXAMINATION

15 QUESTIONS BY JUDGE DIPPELL:

16 Q. Can you state your name and spell it for the  
17 court reporter?

18 A. My name is Ruth H. Murray. And Murray is  
19 spelled M-u-r-r-a-y.

20 Q. Thank you. If you could tell us which  
21 district you live in and -- and give us your comments.

22 A. I live on Ozark Mountain.

23 Q. Go ahead with your comments, ma'am.

24 A. I have several. First, I would like to give  
25 a little history. In 1994 I got a printout from Jim

1 Norman. And it was for the month of September, which  
2 is a summer month.

3 And he had 320 meters that he read. And  
4 that was Turkey Mountain. I guess you call it the  
5 Ozark Mountain water district.

6 There are three different districts on  
7 here. And of the 320 meters, and several of those are  
8 part-time, and they are only there two weeks out of the  
9 year, and his -- his income for September was  
10 \$5,167.20.

11 And I added -- I ran a figure on that, and  
12 that came to \$62,000 a year, which, probably, for that  
13 many meters was a good value.

14 When I started, I bought the house in 1976  
15 and the water company, I think, was installed in  
16 about -- sometime in the 60's -- 1960's.

17 My water bill was \$3.50 a month. And it --  
18 the developer was J.D. Gum. And he developed three --  
19 three subdivisions in this area. Turkey Mountain I.  
20 Turkey Mountain II. And Lake -- Tomahawk Heights, and  
21 I'm not sure of the others.

22 And he wanted to -- we had a meeting, and  
23 people were very upset, and we -- we didn't  
24 understand. Some people thought that there -- that  
25 would -- it would always be the same.

1                   Well, that isn't true, of course. And he  
2 finally retired and he gave it to Jim Norman. And Jim  
3 Norman kept it.

4                   And then he sold it to several different  
5 companies, and I won't go through them, because most of  
6 the people know -- they have been here long enough that  
7 they know the different companies it has gone through.

8                   I -- I have not had any problems with --  
9 with Aqua. I have had dealings with them whenever they  
10 put the new tanks in.

11                   I have a water regulator on my system, and  
12 I have two filters, but they did -- the tank is pretty  
13 near me, and the pressure is high, so I didn't -- I had  
14 to replace my line from the house to the meter. And  
15 also the line, the main line in back of my house, it's  
16 like a spring.

17                   And another thing that I've noticed that I  
18 see that different subdivisions, in different areas,  
19 where there is little water companies, when they have a  
20 water break, they have a boil order. And I've never  
21 heard of a boil order in this area. And I've  
22 questioned that.

23                   I am -- I am a planning and zoning  
24 commissioner in Stone County. And I deal with  
25 subdivisions, and water problems, and well problems,

1 and sewer problems, and I deal with DNR. And I'm a  
2 friend of Doyle Childers. And I've known Doyle for  
3 many years.

4 I went to my brokerage firm. And I would  
5 like to read you something that I've highlighted.

6 And it says: We believe that WTR has a  
7 strong management and solid financial strength. And  
8 they paid dividends consecutively for 17 times in the  
9 past 16 years. Price per earning and price value is  
10 average. The risk -- the company is unable -- is  
11 unable to successfully acquire small water company  
12 earnings and the stock prices may be negative impacted.

13 And then they say that -- that for -- for  
14 the management has a constructive relationship with  
15 regulators and community leaders.

16 And I -- I don't think that that should be.  
17 I think that the -- they should be fair. These  
18 regulations are -- these relationships are necessary  
19 for regulated water utilities to grow their asset base  
20 and receive timely recovery of spent funds through rate  
21 increases.

22 For example, the company has approved in  
23 Pennsylvania to raise rates quarterly up to an  
24 additional five percent for capital improvements  
25 without even filing a request.

1                   And I -- I just look at that as something  
2 that happens whenever a company goes private.

3                   I contacted the U.S. Department of  
4 Agriculture. And they give out grants for water and  
5 waste communities. And I -- I talked to Bruce Hively,  
6 who is in the Springfield office.

7                   And if people make a mistake whenever they  
8 don't get a bond, and have their own water systems,  
9 because in the global market we are having investments  
10 from all those oil-rich countries, and with the price  
11 of gasoline, it's coming back in investments in our  
12 inner structure. And they have the money to buy what  
13 they need from the regulators.

14                   I'm sorry. I'm -- I'm going to be 86 soon  
15 and I'm a little slow.

16           Q.     Continue.

17           A.     I have called -- I have called other water  
18 companies in the area. I'm familiar with Reed -- with  
19 Reeds Spring. That is under the Agriculture  
20 Department. And I'm not quite sure how Branson West  
21 has -- what was their funding.

22                   A lot of the companies in this area, they  
23 have problems because they get the wrong engineers.  
24 And, I'm sorry, all engineers are not equal.

25                   I am -- I deal with the bonding in the

1 county. And we have -- we have three districts that  
2 have NID bonds. And I'm sure -- I'm sure you know what  
3 that is.

4                   And we have one that has problems because  
5 of the engineering and the inner structure was not  
6 inspected. And the county is liable. And we're paying  
7 within Stone County the -- the payment to the bonding  
8 company, because we can't afford to lose our AAA  
9 rating, because it would be very expensive.

10                   We have two other NID bonds. One is  
11 Edgewater Village. And the other one is StoneBridge.  
12 And the -- the StoneBridge is now controlled by IMD.  
13 And that's Steve Redford. And the one over in  
14 Edgewood -- Edgewater is Neal Howard. And I've spoken  
15 to those people.

16                   I feel that the Missouri regulators should  
17 look very closely that any -- any applied -- applied  
18 for increases, and really, really go over the expenses.

19                   And, of course, it's great for them because  
20 the more expenses they have to write off, the lower  
21 their taxes. So they have reason to pad the billing.  
22 I'm not sure that they are doing it, but it seems to me  
23 like they are.

24                   And I guess I've said enough. I -- I've  
25 just -- I'm shocked of the price of water, and the

1 price it's going to be. But, believe me, people, it's  
2 not going to get any better.

3 I took a year in California water rights,  
4 and I could tell you that Missouri is following pretty  
5 regularly in the steps, but California has been at it a  
6 lot longer.

7 So anyway, that's all I have.

8 Q. I have a couple questions for you, Ms.  
9 Murray. You said you had a water regulator. Is that  
10 to regulate the pressure of your water?

11 A. Uh-huh.

12 Q. And then you also made a comment that the  
13 main line behind your house is like a spring. Do you  
14 mean it leaks often?

15 A. Yes. Yes. It does.

16 JUDGE DIPPELL: Okay. Commissioner Gunn,  
17 do you have any questions?

18 COMMISSIONER GUNN: I don't have any  
19 questions. Thank you for your testimony.

20 JUDGE DIPPELL: Ms. Baker?

21 MS. BAKER: No. I have no further  
22 questions. Thank you for coming.

23 JUDGE DIPPELL: Ms. Smith?

24 MS. SMITH: Yes. I just have one question.

25 JUDGE DIPPELL: Excuse me, ma'am. Could

1 you --

2 MS. MURRAY: Oh, I'm sorry.

3 JUDGE DIPPELL: That's all right. Ms.  
4 Smith, with the company, has one question for you.

5 EXAMINATION

6 QUESTIONS BY MS. SMITH:

7 Q. Yes. Ms. Murray, you made the statement that  
8 you believe the company is padding your billing. On  
9 what do you base this statement?

10 A. I just -- I just know that it's good to have  
11 as many expenses as you can, because it's a write-off  
12 on your taxes.

13 Q. So you just know that generally?

14 A. Yes.

15 Q. You don't know any particulars?

16 A. No. This company, I don't know, because I  
17 don't look at your books. And I'm not a CPA or an  
18 auditor.

19 MS. SMITH: Thank you.

20 JUDGE DIPPELL: Mr. Krueger?

21 MR. KRUEGER: Yes. I have just one or two  
22 questions.

23 EXAMINATION

24 QUESTIONS BY MR. KRUEGER:

25 Q. Does that -- are you still having problems

1 with the main behind the house? Is that still leaking  
2 today?

3 A. Well, I assume that it is, although the water  
4 is running in every ditch in my area, and it would be  
5 difficult to say.

6 And I am -- I'm now 85, and quite frankly,  
7 I don't go out and check that. Although, I do go out  
8 and check my meter sometimes because I didn't live in  
9 that house.

10 That house has been a part-time house for  
11 me since '76. And I was gone for five years. And I  
12 paid a water bill each month. And my bill would say  
13 zero use. Zero use. Zero use.

14 And then I came back, and for -- for three  
15 months my water bill -- I don't think was read, the  
16 meter. And I got a -- a bill for a lot more water.  
17 And I had only been there part-time. And I  
18 certainly -- my average use is 1,000 gallons because I  
19 live by myself.

20 Q. Have you ever contacted the company about  
21 this leak?

22 A. Oh, not -- not the company. Not that.  
23 It -- I haven't. I've contacted them about different  
24 billing problems, and I have other -- I've had other  
25 meters in the area, other properties, and I've had

1 problems, and they got the meters mixed up, and there  
2 was some problems with the -- with the changing,  
3 because I had three other meters, properties that had  
4 meters.

5 Q. Have you ever contacted the staff of the  
6 Commission about the leak?

7 A. I sure have.

8 Q. You say you have?

9 A. Yes. I have.

10 Q. Do you recall when you did that?

11 A. I -- I worked my problems out whenever I --  
12 whenever my line broke and I didn't live there. I lost  
13 a lot of water. And I negotiated with them for a  
14 reduced price on the water, because --

15 Q. Do you recall when that was?

16 A. Oh, I don't know. It was when -- a couple  
17 of -- whenever they put the new service in. Maybe  
18 three or four years ago.

19 Q. I think you, also, mentioned water is running  
20 in every ditch. Did you mean there is water that comes  
21 from the water company?

22 A. No. No. It's just raining, and every ditch  
23 in that area right now is full of water.

24 Q. Okay. Thank you.

25 A. From the rain.

1                   MR. KRUEGER: That's all the questions I  
2 have.

3                   JUDGE DIPPELL: Thank you, Ms. Murray, for  
4 your comments.

5                   MS. DOERHOFF: Joanne Reinhard.  
6                   (Witness sworn)

7                                   JOANNE REINHARD,  
8                   being sworn, testified as follows:

9                                   EXAMINATION

10                   QUESTIONS BY JUDGE DIPPELL:

11           Q.       Would you spell your name for the court  
12 reporter, please?

13           A.       J-o-a-n-n-e, R-e-i-n-h-a-r-d.

14           Q.       Go ahead with your comments.

15           A.       Okay. I agree with Mr. Hermann who testified  
16 earlier.

17                   And we're in Ozark Mountain water, Lakeside  
18 Heights. And we have no sewers. Our storage tank was  
19 added about five years ago and we've already had two  
20 huge increases with Aqua Missouri.

21                   Our water quality was much better before  
22 Aqua Missouri, and we only paid \$7 a month then. We  
23 lived there since '92.

24                   This rate increase is oppressive to  
25 retirees. And it is not a just and reasonable

1 increase. And these rates are higher than -- our last  
2 increase was higher than we paid for water, sewer and  
3 garbage in Illinois.

4 And that's all I have.

5 JUDGE DIPPELL: Thank you. Mr. Gunn, do  
6 you have questions?

7 COMMISSIONER GUNN: No questions. Thank  
8 you for your testimony.

9 JUDGE DIPPELL: Ms. Baker, do you have  
10 questions?

11 MS. BAKER: I just have one question.

12 EXAMINATION

13 QUESTIONS BY MS. BAKER:

14 Q. You said that the water quality was better  
15 before Aqua took it off?

16 A. Correct.

17 Q. What is the difference?

18 A. The chlorine that's added all the time. And  
19 the last time I testified we had a lot more chlorine,  
20 but it's still smellable in the water.

21 MS. BAKER: That's the only question I  
22 have. Thank you for coming.

23 JUDGE DIPPELL: Ms. Smith?

24 MS. SMITH: No questions. Thank you.

25 JUDGE DIPPELL: Mr. Krueger?

1 MR. KRUEGER: No questions, Your Honor.

2 JUDGE DIPPELL: Thank you very much, Ms.  
3 Reinhard.

4 MS. DOERHOFF: James Larson.

5 MR. LARSON: Hello.

6 (Witness sworn.)

7 JAMES LARSON,

8 being sworn, testified as follows:

9 EXAMINATION

10 QUESTIONS BY JUDGE DIPPELL:

11 Q. If you can state your name and spell it for  
12 the court reporter, please?

13 A. Jim Larson, L-a-r-s-o-n. 165 South Keystone.  
14 That's in the Ozark Mountain district.

15 Q. Go ahead.

16 A. Well, of course, my comment is I just -- I'm  
17 against this rate increase. And I've been drinking  
18 this water since 1980. And I haven't had any trouble  
19 with the water.

20 But this -- the increase -- the two words  
21 that come to my mind is greed and ridiculous. I don't  
22 know how the Public Service Commission would even  
23 consider a 100 percent raise, especially when they just  
24 had a 100 percent raise a couple years ago.

25 I was here before they even had the meters

1 in -- put in, you know. Like I say, the old-timers,  
2 water was like \$9 a month. But I realize they have to  
3 have increases and that, but this is way out of line.

4           It's just -- you know, like I say, any  
5 business -- myself, if I was in business, I would be  
6 ashamed and embarrassed to ask for some kind of raise  
7 like that.

8           So as far as the billing, like I say, I  
9 haven't had -- I never had any trouble with the water.  
10 But my daughter -- my daughter has a place two blocks  
11 from my place. And she's got good water pressure and  
12 we don't.

13           And she's had a leak of the main line in  
14 her front yard, that has been leaking for at least six  
15 months that I know of, and they haven't come out.

16           I guess they finally come out and it looked  
17 like they might have repaired it. But that thing  
18 leaked for months, and months, and months, you know.  
19 Nothing done.

20           As far as I know, you know, them pipes, the  
21 main pipes in that ground are probably 40, 50 years  
22 old. They -- they haven't been replaced that I know  
23 of. I mean, they still break now and then. And that's  
24 just going to continue to get worse.

25           As far as the billing, when I got this

1 notice, I did call the company after spending, I don't  
2 know, how many hours on the phone going through this  
3 menu.

4 I finally got a hold of a person. I told  
5 her to come and get the meter. We was -- I told her I  
6 was canceling. Come and get the meter. That was in  
7 January. The meter is still there and I'm still  
8 getting bills.

9 I've called them twice to come get the  
10 meter, because I'm going to drill my own well. You  
11 know, for -- for, what, it's going to be \$60 a month?  
12 I can pay for my own well on payments for that.

13 So, anyway, like I say, that's my reason  
14 for being opposed to this rate. I think it's -- it's  
15 greedy and it's -- it's ridiculous.

16 So thank you very much.

17 Q. Thank you. Mr. Larson, do you know if your  
18 daughter called to report the leak, or when she called  
19 to report it, or did you call?

20 A. Well, yeah. She's called and reported it.  
21 The leak is right on the main road. I know the -- the  
22 Aqua trucks have been up and down there, you know,  
23 every other day probably, and seen the leak.

24 And -- but it's taken months, and months,  
25 and months, and they finally come out and fixed it.

1 And I guess the reason they didn't -- wasn't in no big  
2 hurry to fix that, was because it wasn't leaking  
3 through anybody's meter, so is all I know, is all I can  
4 figure.

5 JUDGE DIPPELL: Thank you. Commissioner  
6 Gunn, did you have any questions?

7 COMMISSIONER GUNN: I don't have any  
8 questions. Thank you, sir.

9 JUDGE DIPPELL: Ms. Baker, did you have any  
10 questions?

11 EXAMINATION

12 QUESTIONS BY MS. BAKER:

13 Q. You mentioned billing problems. Had you had  
14 billing problems before you called them to -- to ask  
15 them to take the meter?

16 A. No. No. I just got a bill every month, you  
17 know. But, like I say, when we got that notice I -- I  
18 just -- I cancelled, and it just -- so they never  
19 bothered to come out and get it.

20 I've called them twice. That are still  
21 sending me bills..

22 Q. Are you still receiving water from them?

23 A. Still receiving bills. No, we're not -- I'm  
24 not using the water.

25 Q. Are you still using the water?

1           A.     I guess it's still on. I'm not using it. I  
2 mean, it's shut off. It's shut off at the meter, but  
3 the meter is still there, so --

4                   MS. BAKER: I have no further questions.  
5 Thank you for coming.

6                   JUDGE DIPPELL: Ms. Smith, did you have  
7 questions?

8                   MS. SMITH: I have no questions.

9                   JUDGE DIPPELL: Mr. Krueger?

10                  MR. KRUEGER: Yes.

11                                 EXAMINATION

12                   QUESTIONS BY MR. KRUEGER:

13           Q.     Mr. Larson, I'm sorry. Are you still getting  
14 bills?

15           A.     Yes. I am.

16           Q.     Even though you are not receiving any water?

17           A.     Well, as far as I know the water is still  
18 there, but I'm not using the water. There is not -- no  
19 water going through the meter. It's shut off at the  
20 meter. So --

21           Q.     Did you tell the company to close your  
22 account?

23           A.     They are probably still billing me for a  
24 minimum -- a minimum, because it's coming to the meter.  
25 They are still sending me water bills.



## 1 EXAMINATION

2 QUESTIONS BY JUDGE DIPPELL:

3 Q. Yes, sir -- yes, ma'am. My name is Gene,  
4 G-e-n-e, Carlsen, C-a-r-l-s-e-n. Lakewood Manor.

5 First of all, I want to talk about the rate  
6 increase, and if it's all right with you, I want to  
7 talk about, also -- but this rate increase is absurd.  
8 Anybody in their right mind thinks they can get by with  
9 this is a crook.

10 I mean, I'm retired. I live on a fixed  
11 income. And Social Security is not going to give me a  
12 300 percent raise next year to pay for this water bill.

13 It's got to the point I'm afraid to flush  
14 my toilet because I'm afraid I can't pay the water  
15 bill. That's the rate problem.

16 Aqua needs to get a service center where  
17 you can call and not play dial-a-number, so there is  
18 one person answering the phone, and take your  
19 complaint, and go with it.

20 I received an estimated bill for March. I  
21 couldn't figure out why I got an estimated bill for  
22 March, because I saw them come out and read my meter.

23 Well, the last big rainstorm we had in  
24 April, I found out why he couldn't read the meter. The  
25 whole meter pump was full of water. He left a manhole

1 cover off the -- off the meter hole.

2 All the water and the leaves got in there  
3 and clogged up the drain. So every time it rains I  
4 have to go in there and vacuum out the water below the  
5 meter.

6 I called Aqua. Again, it's like playing  
7 Russian-roulette. You might get lucky and get ahold of  
8 somebody. They finally came out and did nothing.

9 I made up a specific complaint to the  
10 person I talked to on the phone that he left the  
11 manhole cover off the meter hole. You need to come out  
12 and unclog the drain, so next time it rains, the water  
13 will not sit there on top of the meter.

14 I think the Public Service Commission ought  
15 to look at the efficiency of this company. If they  
16 can't get -- their efficiency less than 300 percent  
17 they are in real big trouble. They will go bankrupt in  
18 a couple years.

19 The lady down here talked to me about  
20 capital improvements. Yeah. It's a tax write off.  
21 Why not cushion it a little bit? Who knows. It's a  
22 write off.

23 I feel we're just getting a bad deal here.  
24 I live between Norm and Wally, who both testified. The  
25 quality of water is pretty good but the water pressure

1 is really bad. And I have not called the Public  
2 Service Commission because I didn't know I was supposed  
3 to call them to complain about Aqua service.

4 That's all I got.

5 Q. I'm sorry. Did you say you had not contacted  
6 the Public Service Commission?

7 A. Well, you know, you call the company to get  
8 something resolved. Why do I need to call you people  
9 to get something resolved?

10 I mean, what are you going to do about it?  
11 Call them for me? I mean, what's -- what's your --

12 Q. Our customer service representatives will,  
13 actually, contact the company to try to resolve things  
14 but --

15 A. But they got to do the same thing with their  
16 phone number, play your phone tag, punch a bunch of  
17 numbers to get the right person.

18 No. It's not worth it.

19 Q. I'm sorry, sir. I just didn't hear your  
20 answer, was the reason I asked.

21 A. Well, I will call you next time, believe me.  
22 I'll call them first one time and I'll call you next  
23 time.

24 Q. Marilyn has cards with the hotline number on  
25 it, if you have future problems.

1           A.     I will call them.  I'm not shy.

2                    JUDGE DIPPELL:  Great.  Mr. Gunn, do you  
3 have questions?

4                    COMMISSIONER GUNN:  I don't have any  
5 questions.  Thank you, sir.

6                                    EXAMINATION

7 QUESTIONS BY MS. BAKER:

8           Q.     I don't have necessarily a question, but I do  
9 want to qualify.

10                   I am not with the company.  I am your  
11 consumer advocate.  So don't -- don't point at me.

12           A.     You are with the company, so are the  
13 Commissioners.  They are with the company.

14           Q.     Anyway, I guess I do have one question about  
15 the meter pit being open.

16                    Is there a cover there, or is the cover  
17 gone?

18           A.     There is a cover there to cover up the hole  
19 for a meter.

20           Q.     Okay.  But no one has come just to put the  
21 cover on?

22           A.     A guy came out, read the meter, didn't put  
23 the cover back on.

24           Q.     Just recently?

25           A.     March.

1 Q. Okay. So it is covered now?

2 A. I covered it.

3 Q. You covered it?

4 A. Yeah. After I pumped all the water out. Now  
5 I know why I got an estimated bill. He couldn't see  
6 the meter.

7 MS. BAKER: I understand. That's all the  
8 questions I have. Thank you.

9 JUDGE DIPPELL: Ms. Smith, did you have  
10 questions?

11 MS. SMITH: No questions. Thank you.

12 JUDGE DIPPELL: Mr. Krueger?

13 MR. KRUEGER: Yes.

14 EXAMINATION

15 QUESTIONS BY MR. KRUEGER:

16 Q. I think you said that your water quality was  
17 okay but the pressure was not. Is that what you said?

18 A. Yeah. The pressure has gone down since I  
19 bought the house. Yeah. It's gone down quite a bit.  
20 If I flush the toilet, people taking a shower will lose  
21 their hot water.

22 Q. Okay. That problem continues now?

23 A. Yeah. Yeah. The water pressure is not near  
24 as good as it used to be.

25 MR. KRUEGER: Thank you. That's all the

1 questions I have.

2 JUDGE DIPPELL: Thank you, Mr. Carlsen. I  
3 appreciate your comments.

4 MS. DOERHOFF: Beverly Henderson.

5 (Witness sworn.)

6 BEVERLY HENDERSON,

7 being sworn, testified as follows:

8 EXAMINATION

9 QUESTIONS BY JUDGE DIPPELL:

10 Q. If you would state your name and spell it,  
11 please.

12 A. Beverly, B-e-v-e-r-l-y, Henderson, with an O.

13 Q. Go ahead, ma'am.

14 A. Okay. I heard a comment when we were first  
15 starting here. I came in a little bit late and I  
16 didn't hear everything. But someone said something  
17 about just and reasonable costs.

18 I strongly suggest they relook at their  
19 bookkeeping and find out a better way of getting a cost  
20 and make it reasonable, if that's what they are after,  
21 because they certainly do not have a reasonable cost  
22 right now for the services which we get, which are, in  
23 my estimation, minimal.

24 And I will go through some things. Number  
25 one, we do not have, where I am, a problem with

1 pressure. We are at the end of the line. We only have  
2 one more house down from us.

3           And when everybody else loses pressure it  
4 kind of flows down to us, so I have no problems with  
5 that.

6           What I do have problems with is the quality  
7 of the water. I've never been in a place where you  
8 have filters all over the house and your glassware is  
9 still frosted because of the water.

10           It tastes bad. As I said, we have filters  
11 all over the house. We also have a Britta filter that  
12 we keep water in even after the house filters are  
13 filtering the water.

14           The next thing is I want to talk about  
15 their billing system, which doesn't seem to be a system  
16 at all. It's kind of serendipity. They come and they  
17 read a meter once in awhile.

18           I have, on several occasions, and I'm --  
19 I'm pressing the several, received a bill for two  
20 months at one time, and a bill for nothing at another  
21 time.

22           And so they -- they don't seem to have  
23 any -- any way, or any program, to read meters. It's  
24 just whenever they can get around to it.

25           And I did call the company about that and I

1 got word, such as, well, we read them every 23 days. I  
2 submit that we should be getting a bill every 23 days  
3 then, instead of twice in one month and none in the  
4 last month, et cetera.

5 I am going to read something from the  
6 dictionary. It's a word called extortion. Extortion  
7 is an act or instance of extorting. The crime of  
8 obtaining money for some other thing of value by the  
9 abuse of one's office and authority.

10 Oppressive or illegal extraction as of  
11 excessive price or interest. And I think I could go  
12 on. This is a pretty big dictionary, and it gives a  
13 lot of incidents.

14 But I think that in the case of this  
15 company, Aqua Missouri, I think that they are falling  
16 very close to extortion.

17 We have very little choice in our water  
18 supply. And they are coming very close to what the oil  
19 companies are doing right now, and that is fixing  
20 prices. And we have no recourse, very little recourse,  
21 unless, of course, you all decide to do something about  
22 this. I'm done.

23 Q. Thank you. Which service area do you live  
24 in?

25 A. I live in Lakewood Manor. And I am on a

1 fixed income.

2 JUDGE DIPPELL: Mr. Gunn, did you have  
3 questions?

4 EXAMINATION

5 QUESTIONS BY COMMISSIONER GUNN:

6 Q. Just a -- just a quick question. When you  
7 contacted the company to talk about the billing issue  
8 that you had --

9 A. Yes.

10 Q. -- did you have some of the same issues that  
11 we've heard about tonight, about finding it difficult  
12 to talk to somebody at the company? Or was that -- was  
13 that an okay experience for you?

14 A. That -- that was an okay experience. If I  
15 remember right I had to go through a couple of  
16 different people, but not an extensive problem like  
17 these people have had.

18 Q. Another -- this is my last one. Can you  
19 describe -- you said the water tasted bad. Could  
20 you -- if it's possible, could you describe the taste?  
21 Is it -- is it just the heavy taste? Is it musty?  
22 Does it have --

23 A. It leaves -- it makes me feel like I've got a  
24 film in my mouth after I drink it.

25 COMMISSIONER GUNN: That's all I have.

1 Thank you very much.

2 MS. HENDERSON: Thank you.

3 JUDGE DIPPELL: Miss Baker, do you have any  
4 questions?

5 MS. BAKER: No. I have no further  
6 questions. Thank you.

7 JUDGE DIPPELL: Ms. Smith?

8 MS. SMITH: I have no questions. Thank  
9 you.

10 JUDGE DIPPELL: Mr. Krueger?

11 MR. KRUEGER: No questions, Your Honor.

12 JUDGE DIPPELL: Thank you very much, Ms.  
13 Henderson.

14 MS. DOERHOFF: Martin Moen.

15 (Witness sworn.)

16 MARTIN MOEN,

17 being sworn, testified as follows:

18 EXAMINATION

19 QUESTIONS BY JUDGE DIPPELL:

20 Q. Please state your name and spell it.

21 A. My name is Martin Moen, M-a-r-t-i-n.  
22 M-o-e-n. I live in Lakewood Manor.

23 I got a letter here dated December 20th,  
24 2007, that they are requesting a 207.89 percent  
25 increase because of operating expenses.

1           They said the expenses on the last few --  
2 couple years are \$56,000. There is no breakdown to  
3 those expenses.

4           I built a new home two years ago. And only  
5 one other home has been added, I think, in the last two  
6 years that I know of. And it was minimal cost to the  
7 company to hook these homes up. I don't see any big  
8 improvements going on.

9           The shareholder statement of February '08  
10 says that they are increasing their dividends nine  
11 percent on each quarter. And the CEO over the company  
12 makes over \$2 million a year.

13           So I -- the last three years they have  
14 added an -- in '05 they added 30 new acquisitions.  
15 '06, 27 new ones. And '07, 26 new acquisitions. And  
16 they say that they also sell off ones that has no  
17 growth prospects.

18           I think that they are trying to get  
19 Lakewood Manor at a higher rate so that they can sell  
20 it off. They are a big company. If they do get a 300  
21 percent increase in two years, that would be like  
22 McDonalds remodeling and raising their hamburger prices  
23 to \$10 a hamburger, or something.

24           It's a big company. And one small area  
25 shouldn't take the brunt of all their improvements,

1 whatever they have been. I don't know what they have  
2 been.

3                   So that's about -- and, also, their  
4 expenses. We all know expenses have gone up all over,  
5 but the electric rates to pump that water has not gone  
6 up very much. In fact, probably some of the cheapest  
7 in the nation.

8                   That's about all.

9                   JUDGE DIPPELL: Thank you. Commissioner  
10 Gunn, did you have questions?

11   EXAMINATION

12                   QUESTIONS BY COMMISSIONER GUNN:

13           A.       Just two quick questions. Any quality  
14 problems with the water?

15           A.       I live near the well and I -- I can't say  
16 that I really had any quality problems.

17           Q.       That includes pressure, and taste, and smell  
18 and all that?

19           A.       It's generally pretty good.

20           Q.       And have you ever tried to contact the  
21 company or work your way through their customer service  
22 line?

23           A.       We e-mailed them last year when they  
24 requested 140 percent increase. I don't remember what  
25 the response was. I think -- I think we got some

1 generic response.

2 Q. But you think you got something?

3 A. I believe so.

4 COMMISSIONER GUNN: That's all the  
5 questions I have. Thank you, sir.

6 JUDGE DIPPELL: Ms. Baker?

7 MS. BAKER: I have no questions. Thank you  
8 for coming.

9 JUDGE DIPPELL: Ms. Smith?

10 MS. SMITH: No questions. Thank you.

11 JUDGE DIPPELL: Staff.

12 MR. KRUEGER: No questions, Your Honor.

13 JUDGE DIPPELL: Thank you, sir.

14 MS. DOERHOFF: Ann and John Otle.

15 (Witness sworn.)

16 JOHN OTLE,

17 being sworn, testified as follows:

18 EXAMINATION

19 QUESTIONS BY JUDGE DIPPELL:

20 A. My name is John Otle. I live in Lakewood  
21 Manor and --

22 Q. Can you spell your last name?

23 A. O-t-l-e.

24 Q. Go ahead.

25 A. We went through this two years ago when we

1 went through the 160 percent increase in rates. We  
2 told them then that it was not justified, and that they  
3 have done nothing since that time to improve our  
4 situation.

5                   They got their 160 percent that time and  
6 now you want to do a 260 percent increase. It does not  
7 make sense. Their services -- our water, as far as  
8 we're concerned, we're in the lower end, so we have  
9 pretty good pressure.

10                   Every once in a while when you take a  
11 shower, you look in the bathtub, and you see what you  
12 have in there. Our drinking water, we carry a separate  
13 shelter for ourselves, so we don't have to put up with  
14 that. So from that standpoint we can get by with the  
15 water quality as it is.

16                   My neighbor up the street three doors, John  
17 Walker, couldn't be here tonight because of a family  
18 medical situation, but it took them two months to fix a  
19 leak in his area that was their responsibility.

20                   If -- if they get even one percent increase  
21 on this, as far as I'm concerned, I'll put in my own  
22 well. That would cut a little of their income off,  
23 whether they like it or not. There is no sense in  
24 putting up with this kind of water company.

25                   It makes you wonder what the Public Service

1 Commission is doing. Maybe we need to petition the  
2 Governor and our representatives to have an  
3 investigation of the Public Service Commission.

4                   They are certainly supposed to be  
5 protecting our rights, but they certainly are not doing  
6 it. And I would like an answer on that.

7                   That's all I've got.

8                   JUDGE DIPPELL: Thank you, sir.  
9 Commissioner Gunn, do you have any questions?

10   EXAMINATION

11                   QUESTIONS BY COMMISSIONER GUNN:

12           Q.       First of all, I'm brand new, so I just  
13 started here. So I appreciate your testimony.

14                   I have -- other than -- you said your  
15 neighbor had -- had a problem with customer service  
16 issues. Have you had any reason or cause to contact  
17 them for a customer service issue?

18           A.       No. I haven't. We just lived with what we  
19 got. So we have had times when we should have called  
20 them, but we didn't, which is our fault. But that's  
21 our fault.

22                   One of the things since they have taken it  
23 over -- one of the things since they have taken over is  
24 why does it take two men, an all-terrain vehicle, and a  
25 pickup to read our meters?

1                   Before the -- Aqua took them over we had  
2 one person came and read our meters.

3                   We're talking about them and their books.  
4 I tell you, they have been boosting their books to make  
5 it look good for them, but certainly not good to work  
6 for us.

7                   Where is our consumer advocate? I would  
8 like to know.

9                   MS. BAKER: Right here.

10            Q.     (By Commissioner Gunn) You said you have  
11 grit in your bathtub occasionally. Any other  
12 quality --

13            A.     Our quality isn't all that bad, but  
14 occasionally when you are in the bathtub taking a  
15 shower, whatever, you can find a little grit that I  
16 know doesn't come off of me. It comes out of the  
17 faucet somewhere along the way.

18                   Every once in awhile you can see that in  
19 the sink, as well, in the kitchen. But we filter our  
20 drinking water so we get by without all that.

21                   COMMISSIONER GUNN: Thank you, sir. That  
22 is all the questions.

23                   MR. OTLE: As far as I'm concerned they  
24 have not done one thing to improve the water since they  
25 have taken over.



1 JUDGE DIPPELL: Mr. Krueger?

2 MR. KRUEGER: No questions, Your Honor.

3 JUDGE DIPPELL: Thank you, sir.

4 MS. DOERHOFF: Kim Kirkpatrick.

5 JUDGE DIPPELL: Does the court reporter  
6 need to take a break?

7 THE COURT REPORTER: No. I'm just changing  
8 paper while you are swearing her in.

9 (Witness sworn.)

10 JUDGE DIPPELL: When the court reporter is  
11 ready you can --

12 THE COURT REPORTER: I'm ready.

13 KIM KIRKPATRICK,

14 being sworn, testified as follows:

15 EXAMINATION

16 QUESTIONS BY JUDGE DIPPELL:

17 Q. Go ahead with your name.

18 A. Kim, K-i-r-k-p-a-t-r-i-c-k.

19 Q. Go ahead, ma'am.

20 A. I was just -- I'm against this, also,  
21 obviously. But a few -- a few things that I thought  
22 were of concern was, again, there is other  
23 subdivisions, not with Aqua Missouri running them, and  
24 they pay unlimited use \$240 a month -- or a year.  
25 That's for a year.

1                   And she told me, one of the ladies that  
2 lives in one of those divisions, says that that's the  
3 highest that they have paid. That normally it was  
4 \$175, but they did some work, so they had to boost it  
5 up to \$240 for the year.

6                   And she couldn't find me a bill, because  
7 they only get billed once a year, so she forgot  
8 whatever happened to it. She paid it, and she didn't  
9 have the receipt, or I would have brought it with me.

10                   But not only that, but my base price at my  
11 house, and I live in the Ozark Mountain district, my  
12 base price, I believe, is \$28. And it's because it was  
13 set when my daughters were at home. They have all  
14 moved out but one.

15                   And so we had a house with four girls and  
16 my husband. And so my bill before Aqua Missouri came  
17 in was usually just the base price, which was -- you  
18 know, a lot less. So then they came in and then they  
19 jacked it up to twice as much.

20                   But not only did they up the price, but I  
21 pay X-amount over -- like right now my bill every  
22 single month is \$57. So I don't know -- you know,  
23 people are complaining about just the base price. My  
24 bill is \$57. And it's me, my husband, and one daughter  
25 at home.

1                   I've called and said, you know, what's  
2 going on? Why is my bill so high? Well, a couple  
3 years ago they came out and checked all the lines, and  
4 they said, oh, no, there is no leak.

5                   We hear water, but we think there is a  
6 spring under your house -- under your shop, not under  
7 my house, but we can't find it. We don't have any  
8 evidence of it, so -- but there is not a leak in your  
9 line out here, which it wouldn't have made a difference  
10 anyway, but there is not a leak in my house.

11                   There is no leak in my house, but yet I pay  
12 almost double already. And I've called and I've tried  
13 to -- you know, after that I talked to the maintenance  
14 guys that came out, which at that time one of them was  
15 different than -- it was the guy before they have now,  
16 a real nice gentleman, looked around, wasn't nothing  
17 out there.

18                   I'm listening to everybody else. I'm kind  
19 of getting the idea that maybe it's not uncommon there  
20 is a problem similar to that, because they are getting  
21 charged, also, for water they are not using.

22                   And I can just not see -- my daughter  
23 has -- she lives in the same subdivision two streets  
24 back. And I have a filter to my house, by the way, so  
25 I don't really have a problem with taste or odor, or

1 anything like that, but I filter -- I have a huge  
2 house, one in my basement, that does all that for me.

3 My daughter, on the other hand, has grit in  
4 the tub when she washes the baby. She has three babies  
5 three and under, so they take a couple baths a day.  
6 And her and her husband.

7 And she's got a garden. And she's paying  
8 base price, \$20 bucks. I don't know how that happens.

9 I don't know how they -- I don't wash my  
10 cars at home. I don't water my yard. I don't know  
11 how -- what the deal is there, but somewhere something  
12 has gone wrong.

13 And she's got -- besides that -- sorry, I  
14 got a little sidetracked. But she's got bad tasting  
15 water, deposit in all of her glasses -- like all of her  
16 glassware is frosted, as someone else stated.

17 There is grit in the tub when she washes  
18 the babies. It's not from them. It's like -- I don't  
19 even know how to explain it. It's gritty, other than  
20 that.

21 And we had an increase before, which we  
22 weren't happy about then. I didn't want the increase  
23 then. I didn't see the need for it. But then they  
24 started -- they put the new water tank in. So it's a  
25 bigger tank.

1                   Not really much else that I'm seeing done  
2 besides that. And before you build a house you count  
3 the cost. You don't build the house and then say,  
4 well, wait a minute, I need twice as much money and you  
5 are going to have to give it to me.

6                   They counted the cost. They raised our  
7 rates like almost 100 percent then. And now, again,  
8 we're right back to where we started from. So I have a  
9 problem with that.

10                   And not only that, but I don't see on -- I  
11 feel for a lot of these ones that are here that are on  
12 a fixed income. I'm not, but I'm a bus driver. I  
13 might as well be.

14                   I don't see -- I don't make a whole lot  
15 more than they do probably. So I don't see how -- that  
16 people can afford, at my bill right now at \$57, if they  
17 double that, that's more than my electric.

18                   And along with one of the other gentlemen  
19 that mentioned that, I cannot even phantom that it  
20 costs as much to run the water company as it does the  
21 electric company.

22                   And I guess that's about all I have to say  
23 about that.

24           Q.       Thank you. You may have said this. I  
25 apologize if you did. But does your daughter also live

1 in the same service area?

2 A. Yes. She does.

3 Q. And do you know what your average monthly  
4 usage is? Do you have any idea?

5 A. I don't have my bill with me. But it's  
6 almost to the -- almost to the number. It's \$57 a  
7 month, which seems odd to me.

8 JUDGE DIPPELL: Okay. Thank you.  
9 Commissioner Gunn, do you have any questions?

10 COMMISSIONER GUNN: I don't have any  
11 questions. Thank you very much.

12 JUDGE DIPPELL: Ms. Baker, do you have any  
13 questions.

14 MS. BAKER: No. I have no questions, but  
15 thank you for coming.

16 JUDGE DIPPELL: Ms. Smith?

17 MS. SMITH: I have no questions. Thank  
18 you.

19 JUDGE DIPPELL: Mr. Krueger?

20 MR. KRUEGER: Just a couple.

21 EXAMINATION

22 QUESTIONS BY MR. KRUEGER:

23 Q. Miss Kirkpatrick, you mentioned another  
24 subdivision where there is a flat rate of \$240 a year.  
25 Do you know who provides -- who provides the service

1 there?

2 A. No. I don't. I tried to get the bill from a  
3 friend of mine but, like I said, she pays it once a  
4 year, so she didn't have the receipt, and I didn't give  
5 her enough time to get it -- to her -- a copy of it.

6 Q. Do you know if it's a privately owned  
7 company, or a city, or anything about the nature of  
8 the -- of the provider?

9 A. I'm not really sure. But it probably  
10 services at least 25 -- I mean, it probably services  
11 almost as much as the Lakewood Manor, at least that  
12 many. I don't count the homes, but I'm just saying.

13 MR. KRUEGER: I think that's all the  
14 questions I have.

15 JUDGE DIPPELL: Thank you very much, ma'am.  
16 I appreciate your time.

17 MS. KIRKPATRICK: Thank you.

18 MS. DOERHOFF: Carol Webb.

19 (Witness sworn.)

20 CAROL WEBB,

21 being sworn, testified as follows:

22 EXAMINATION

23 QUESTIONS BY JUDGE DIPPELL:

24 A. My name is Carol Webb, W-e-b-b. I bought my  
25 home about 11 years ago. I'm in the Ozark Mountain

1 area.

2 I'm not a CPA, but I've worked in business  
3 enough to know what capital expenditures are. I don't  
4 understand why profits aren't set aside to keep them in  
5 business and not rely on permanent rate increases to  
6 cover their capital expenditures.

7 I've owned my own business. I didn't go  
8 take my existing customer base, tell them they have to  
9 raise their prices, double and triple, so that I can  
10 make a capital improvement. That's part of your  
11 business planning, and evidently this company doesn't  
12 do that.

13 There is a -- I received a communication  
14 from them in January. And in the first -- second  
15 paragraph of this they state that they spent \$775 per  
16 customer, for a total of \$300,000, for 327 customers.

17 They say that's \$775 a month. I just  
18 double checked my math. \$300,000 dollars divided by  
19 327 people is \$917. So they can't even do math in a  
20 public notice.

21 And I -- I just don't understand the -- I'm  
22 going to go back to what the lady before me pointed  
23 out. There is a group of housing that has about 45 to  
24 50 houses in it, that has their own private well. They  
25 pay \$200 a month -- I mean \$200 a year and they have

1 unlimited usage.

2                   And I look at the pink piece of paper that  
3 was passed out at this hearing. And I look at what  
4 this company has recommended and what the PCS staff has  
5 recommended. Why is there such a huge variance?

6                   What's wrong with their accounting  
7 department that they have to -- I mean, in many  
8 instances -- well, in Riverside Estates, I don't even  
9 know where that is, you recommend a rate lower than  
10 what they are paying today, and they wanted to almost  
11 double it.

12                   I mean, isn't there something that the  
13 Commission needs to review that, what makes you think  
14 you are due this money. What are you doing with your  
15 own math that makes you think that this rate is  
16 anything that's a responsible request?

17                   That's all I have.

18                   JUDGE DIPPELL: Thank you, ma'am.  
19 Commissioner, do you have any questions?

20                   EXAMINATION

21                   QUESTIONS BY COMMISSIONER GUNN:

22                   Q.     Just kind of the same questions I've been  
23 asking. Any quality water --

24                   A.     No.

25                   Q.     -- water problems?

1           A.     I like my water.  I drink it straight from  
2 the tap.  I don't like my water pressure during the  
3 summer.

4                     About -- less than 40 percent of the people  
5 in my little peninsula down where I live don't live  
6 there full-time.  They come in and ask for a base rate  
7 increase for everyone, and they know full well 60  
8 percent of the houses down there are sitting empty and  
9 not you using any water nine -- nine months out of the  
10 year.

11                    If they truly are having a problem  
12 producing the right amount of water for the number of  
13 people that they have, it would seem that they would  
14 take the people that was using over 3,000 and raise  
15 that rate.

16                    No.  They go and take the people that don't  
17 use any water and raise their rates.  So I don't think  
18 this is -- I don't think there was due diligence in  
19 this financial analysis.

20                    I would really like to see a profit  
21 analysis from the company.  I would like to see their  
22 balance sheet.  I want to know what they paid their  
23 shareholders versus what they put into capital  
24 expenditures and quit raping me.

25                    That's all.

1                   COMMISSIONER GUNN: I don't have any  
2 further questions. Thank you.

3                   JUDGE DIPPELL: Thank you. Ms. Baker, do  
4 you have any questions?

5                   MS. BAKER: No. I have no questions. But  
6 thank you for coming.

7                   MS. WEBB: Thank you.

8                   JUDGE DIPPELL: Ms. Smith?

9                   MS. SMITH: No questions. Thank you.

10                  JUDGE DIPPELL: Mr. Krueger?

11                                   EXAMINATION

12                  QUESTIONS BY MR. KRUEGER:

13                  Q. I understand you live in Ozark Mountain  
14 territory; is that correct?

15                  A. That's correct.

16                  MR. KRUEGER: Thank you. That's all the  
17 questions I have.

18                  JUDGE DIPPELL: Ms. Webb, I'm just going to  
19 let you know that most of our companies, we have  
20 public -- we have annual reports available here at the  
21 Public Service Commission.

22                                   You might be able to get some of that  
23 information you are interested in.

24                  MS. WEBB: I'll contact you. Thank you.

25                  MS. DOERHOFF: Darryl Renner.

1 (Witness sworn.)

2 DARRYL RENNER,

3 being sworn, testified as follows:

4 EXAMINATION

5 QUESTIONS BY JUDGE DIPPELL:

6 A. My name is --

7 Q. Would you state your name for the court  
8 reporter?

9 A. My name is Darryl Renner, R-e-n-n-e-r.

10 And I got to agree with Carol. This rate  
11 increase is just a little bit more than you can  
12 swallow.

13 As a business owner in the Ozark Mountain  
14 subdivision -- I'm at the end of the line. And water  
15 pressure is good this time of year, but it fluctuates  
16 when everybody on the line is using the water.

17 If they can have this kind of rate  
18 increase, then how does business people that use the  
19 water -- how are we supposed to pay for the increase if  
20 they can arbitrarily increase the water at their needs.

21 And I -- that is a question I would like to  
22 have answered by anybody that could, that the -- when I  
23 contacted Ozark they -- I couldn't stay on the phone  
24 line long enough to find somebody that could answer  
25 your question. That's after you found somebody that

1 could speak English.

2                   And that's -- that's a problem with a lot  
3 of big companies. The bigger they are the -- it seems  
4 like they get the -- personal services not in big  
5 companies.

6                   But the water quality, the taste, and  
7 everything, is pretty good. I run a water softener in  
8 my house, but the water outside is good quality. And  
9 that's about all.

10           A.     Mr. Renner, do you have both a house and a  
11 business in the area?

12           A.     Yes. I own a resort.

13           Q.     Okay. So like an RV type park or --

14           A.     No. I have a multiple unit, two to -- one to  
15 two bedroom cabins. As a matter of fact --

16           Q.     And do you have the --

17           A.     The resort, when Jim put in the water line,  
18 the resort paid them -- paid. And the resort is  
19 actually the one who brought the water line into our  
20 area.

21           Q.     And do you pay a different rate for the  
22 resort? Is there a commercial rate or --

23           A.     Yeah. We pay -- no. It's the same rate  
24 as -- it's based on 5,000 gallons of usage.

25           Q.     Do you have just the one water meter there?

1 A. Yes. Yeah. Everything is on one meter.

2 Q. And how long have you owned that --

3 A. Ten years.

4 Q. Ten years?

5 A. Yes.

6 Q. How long have you had your house? That long,  
7 also?

8 A. Ten years.

9 JUDGE DIPPELL: Thank you.

10 Commissioner Gunn, do you have any  
11 questions?

12 COMMISSIONER GUNN: I don't have any  
13 questions. Thank you, sir.

14 MR. RENNER: Commissioner Gunn, is your --  
15 is this on the Public Service notice that they give  
16 out? It says contact Kevin Kelly. Is that from your  
17 office?

18 MS. DOERHOFF: Yes.

19 MS. BAKER: Yes. He's an information  
20 person.

21 COMMISSIONER GUNN: Yes.

22 MS. BAKER: He's not a Commissioner.

23 MR. RENNER: Okay. Thank you.

24 EXAMINATION

25 QUESTIONS BY MS. BAKER:

1 Q. The question that I have is are you Ozark  
2 Mountain or are you --

3 A. Yes. Ozark Mountain.

4 MS. BAKER: I think that's the only  
5 question that I have.

6 JUDGE DIPPELL: Ms. Smith?

7 MS. SMITH: I have no questions, Your  
8 Honor.

9 JUDGE DIPPELL: Mr. Krueger?

10 MR. KRUEGER: No questions, Your Honor.

11 JUDGE DIPPELL: Thank you very much, Mr.  
12 Renner.

13 MS. DOERHOFF: Connie Hipkins.

14 (Witness sworn.)

15 JUDGE DIPPELL: Thank you.

16 CONNIE HIPKINS,

17 being sworn, testified as follows:

18 EXAMINATION

19 QUESTIONS BY JUDGE DIPPELL:

20 A. My name?

21 Q. State your name. Yes.

22 A. Connie Hipkins, H-i-p-k-i-n-s. I hope --

23 Q. Go ahead with your comment.

24 A. I hope no one faints, but I don't have a  
25 complaint against the company as far as the water and

1 the service that we receive.

2                   However, we were told years ago when Aqua  
3 Missouri first took over that every valve in our area  
4 needed to be changed. I was wondering if they are  
5 going to do that, or are they going to let it keep  
6 breaking like they did there for a while.

7                   Plus, as I said earlier, 75 percent of the  
8 people in this area are retirees on fixed income. And  
9 I didn't realize what a big difference it would make in  
10 an income, you know, when one of the spouses passed  
11 away.

12                   Mine has gone down to like a third of what  
13 we were getting together. And then they want 100  
14 percent. I just don't know how they can expect us to  
15 do that. I can understand a 10 percent maybe, 20, but  
16 not this much.

17                   That's it.

18           Q.     Thank you, Ms. Hipkins. How long had you --  
19 how long have you lived there? I'm sorry?

20           A.     '95.

21           Q.     And which service area are you in?

22           A.     Ozark Mountain. And I am sorry, I did have  
23 one thing I wanted to add.

24           Q.     Go ahead.

25           A.     We moved here from the high desert during a

1 drought, and our water and trash together was not as  
2 high as our bill here for one month. So -- and that  
3 was in a drought out there.

4 Shower with a friend, you know. You don't  
5 need to put that in.

6 JUDGE DIPPELL: Mr. Gunn, did you have any  
7 questions?

8 COMMISSIONER GUNN: No further questions.

9 JUDGE DIPPELL: Ms. Baker, do you have any  
10 questions?

11 MS. BAKER: No. I have no questions.

12 MS. SMITH: No questions. Thank you.

13 JUDGE DIPPELL: Mr. Krueger?

14 EXAMINATION

15 QUESTIONS BY MR. KRUEGER:

16 Q. Ms. Hipkins, I think you said something about  
17 years ago that you were told that every valve needed to  
18 be changed. Who told you that?

19 A. The gentleman that was working on the water.  
20 I'm sorry. I don't know his name.

21 Q. Was it Aqua Missouri?

22 A. Yes. They had just taken it over. Yes, sir.

23 Q. Okay. They said every valve needed to be  
24 changed?

25 A. In our area. Yes, sir.

1 Q. And it's your belief they have not changed  
2 them; is that right?

3 A. Not to my knowledge.

4 MR. KRUEGER: Okay. Thank you. That's all  
5 the questions I have.

6 JUDGE DIPPELL: Thank you very much.

7 (Witness sworn.)

8 ZOA SPALINGER,

9 being sworn, testified as follows:

10 EXAMINATION

11 QUESTIONS BY JUDGE DIPPELL:

12 Q. If you can state your name, Ms. Spalinger?

13 A. Zoa, Z-o-a, Spalinger, S-p-a-l-i-n-g-e-r. I  
14 live in Lakewood Manor.

15 Q. Go ahead, please.

16 A. I agree with about everything that everybody  
17 said with the Lakewood Manor company. I live on the --  
18 we're on a hill going down to the lake. I live on the  
19 top layer, the same as the well.

20 Our water pressure has dropped considerably  
21 within the last year and-a-half to two years, not  
22 really enough to even power a power washer that -- as  
23 far as water pressure.

24 And we do have very hard water. Not  
25 everybody in Shell Knob can afford to buy bottled

1 water, and water softeners, and filters, and such.

2 I do drink the water. I do not get sick so  
3 the quality of the water is not bad there. If you put  
4 it in a jar, or a bottle, and open it up, you will have  
5 a very strong chlorine taste about 90 percent of the  
6 time.

7 You see very little work done in the area.  
8 I have called the company a few times when they were  
9 charging the primacy fee, which they did refund  
10 eventually, \$2 to \$3 something a month, last year I  
11 believe that was.

12 I also called them a few times when the  
13 water was off. Sorry to say, they didn't know where  
14 Shell Knob was, so I didn't know if I should send my  
15 payment to them or not. They couldn't find me  
16 anywhere.

17 They wanted to put me in Branson or Joplin,  
18 but we finally got it figured out that I did live in  
19 Shell Knob.

20 They said, oh, we're working on it. Well,  
21 I'm glad they were, since they didn't know where I was.  
22 Eventually, the water did get turned back on.

23 What they were saying about billing is  
24 absolutely true. I brought some of my bills with me.  
25 I have bills that have been -- where my meter has been

1 read in 19 days, in 23 days, in 71 days.

2 I got a bill on April the 23rd due, May the  
3 2nd due. When they took over I went to automatic  
4 payments so I would not have to worry about missing a  
5 payment.

6 I work. I'm alone. I thought this would  
7 simplify it.

8 99 percent of the time my bill says I  
9 haven't been paid -- I haven't paid the month before.  
10 They do not penalize me, but I'm -- I'm -- I'm  
11 awestruck of the inaccuracy of a company. There is  
12 just no sense to their worth ethics.

13 They have a -- it's being deducted on their  
14 say-so when it's due. And it's due a different day  
15 every month, anywhere from the 1st to the 31st. I  
16 mean, the 11th, the 16th, the 23rd. There is no rhyme  
17 or reason to how many days -- so what do they set the  
18 billing on?

19 Is it so much water use per month, per day,  
20 per year? How do they set their limits if you use  
21 2,000 in 19 days, or 2,000 in 30 days, or -- so next  
22 year I get 4,000. So how is that rated if they are  
23 reading it that inaccurate.

24 I did write to the Commission when this  
25 letter come out, so you do have me on file for that.

1 I did get a -- I'm sorry, I call it a  
2 computer generated automatic response from the Consumer  
3 Service Department and James Russo, which basically he  
4 said, sorry, you know, it's just -- we're just talking  
5 about it. And I knew that.

6 I knew that it supposedly hadn't gone into  
7 effect yet, but I did want to voice a complaint because  
8 I feel this is very unfair. There is -- there is just  
9 nothing about it being done in our community.

10 I don't know what they are talking about.  
11 The water pressure just keeps going down, down, down.  
12 Like I say, the water is so hard. You have to replace  
13 a coffee -- like an electric coffee pot about every six  
14 months because of the lime and the buildup in it.

15 So, basically, that's what I want to tell  
16 you, that I do not approve.

17 Q. Have you received any notices from the  
18 company about a new billing system?

19 A. Yes. I did. Uh-hum. They had a file up and  
20 couldn't get it straight, and finally got it straight,  
21 but it's still not straight.

22 I mean, if I look at my bills, this one  
23 said -- this was read from 2-14 to 3-12. It's due on  
24 April the 23rd. I think I lost one here.

25 This one says from 3-12 to 4-8. It's due

1 on May the 2nd. March was due on March 11th. They  
2 said it was 35 days. 1-2 to 2-14. January, 12-11 to  
3 1-10. 30 days.

4 They say I still owe my last bill, which  
5 they are automatically deducting on that one. They say  
6 I still owe my last bill which they are automatically  
7 deducting on that. Amount owed from last bill, still  
8 there.

9 So, you know, I don't know why I can't get  
10 a clean bill, a certain time, like I do the electric,  
11 gas, or anything else. You pay on the 10th of the  
12 month. You know it's going to be the 10th of the  
13 month. You set it out to be automatically paid. It  
14 comes out of your account. It's gone. You never know  
15 when it's going to be paid.

16 JUDGE DIPPELL: Okay. Ms. Doerhoff, can  
17 you hear me?

18 MS. DOERHOFF: Yes. I can, judge.

19 JUDGE DIPPELL: Are there company  
20 representatives there that can explain the billing  
21 system to Ms. Spalinger?

22 MS. DOERHOFF: Yes. There is.

23 JUDGE DIPPELL: Okay. Ma'am, if you  
24 would -- if you would, if you have time after your  
25 testimony, if you want to try to get with the company

1 people, maybe they can give you some answers that you  
2 are looking for tonight.

3 MS. SPALINGER: I may listen to them. I  
4 think I know the answers. They don't really care.  
5 They just do it on their own time and it doesn't matter  
6 about us, and that, which is the way the company kind  
7 of goes as far as our water is concerned.

8 JUDGE DIPPELL: Did you have any questions?

9 EXAMINATION

10 QUESTIONS BY COMMISSIONER GUNN:

11 Q. I have two clarifying questions about the  
12 billing. If we put aside the time in which you are  
13 getting the bills --

14 A. Uh-hum.

15 Q. Do you think they accurately reflect, for the  
16 time period that they measure, accurately reflect your  
17 water usage?

18 A. You know, it's hard to tell what they base --  
19 you know, mine says the customer charges includes 1,100  
20 gallons at \$17.42, or 2,000 gallons at \$17.42, the  
21 .004319 for every gallon over 2,000, is basically what  
22 I'm being charged. That was in April of this year.

23 Q. Are the amounts that they are deducting from  
24 your account, they match up with the amounts on the  
25 bill?

1           A.     No. Well, what they do is they -- they will  
2 deduct the one that they didn't deduct on time. And  
3 then they will -- they say it's due the 2nd, but they  
4 will wait until the end of May, so they will deduct  
5 that one.

6                     They don't usually deduct them right  
7 together. They don't deduct them on the day they say  
8 they are going to.

9           Q.     But they are the -- but even though the  
10 timing is not correct, the amount eventually turns out  
11 correct?

12          A.     Yeah. They do not -- they do not double it.  
13 Yes. I make sure they do not double it. And usually  
14 it's separate, you know.

15                     It may say on this bill that you still owe  
16 30 -- the amount owed from the last bill \$39.16.  
17 Amount due this time, \$17.42. So you know that, but  
18 this one was an amount owed from the last \$39, due this  
19 time \$21. You owed \$39.16.

20                     Then they get it straightened out in the  
21 end and it's paid right. So it's -- I'm not being over  
22 charged. It's just very inconsistent and it's almost  
23 hard to keep track of them.

24                     COMMISSIONER GUNN: That's all the  
25 questions I have. Thank you.

1 JUDGE DIPPELL: Ms. Baker?

2 MS. BAKER: I have no questions. Thank you  
3 for coming.

4 JUDGE DIPPELL: Thank you. Miss Smith?

5 MS. SMITH: I have no questions.

6 JUDGE DIPPELL: Mr. Krueger?

7 MR. KRUEGER: I have just a couple.

8 EXAMINATION

9 QUESTIONS BY MR. KRUEGER:

10 Q. The bills that you receive are showing a  
11 customer charge and a usage charge; is that right?

12 A. A usage. It says customer charge includes  
13 \$2,000 -- 2,000 gallons at a set price. Then if I go  
14 over that, it says .0439 -- .004319 per gallon for  
15 anything over.

16 Q. Does the bill show the amount of gallons you  
17 used?

18 A. Yes. It does. On this one it shows the  
19 meter readings and the amount of -- and I have gone out  
20 and spot-checked that, if I thought it was high.

21 Q. Okay. All right. And have you ever been  
22 assessed any late payment fees?

23 A. No.

24 Q. Okay. I think you said that you had written  
25 Mr. Russo, or received a response from him. What was

1 the subject of that correspondence?

2 A. This rate increase. That was December when  
3 we got the notice.

4 Q. Okay. Do you recall when you communicated  
5 with him?

6 A. You know, I got the answer back from him on  
7 January the 10th, so I think it was in December. I  
8 didn't bring the letter I wrote. I have been in  
9 correspondence by e-mail, also.

10 Q. Okay. Thank you. That's all the questions.

11 A. That's basically stating about it. Okay.

12 JUDGE DIPPELL: Thank you, ma'am. I  
13 appreciate your testimony.

14 MS. DOERHOFF: Judge, that's all I've had  
15 sign up.

16 JUDGE DIPPELL: Is there anyone else there  
17 that didn't sign up that would like to testify?

18 MR. LEWIS: Yes, ma'am.

19 MS. DOERHOFF: Go ahead, sir.

20 (Witness sworn.)

21 LEWIS WILLIAMS,

22 being sworn, testified as follows:

23 EXAMINATION

24 QUESTIONS BY JUDGE DIPPELL:

25 Q. State your name and spell it for us.

1           A.     Lewis, L-e-w-i-s.   Williams, W-i-l-l-i-a-m-s.

2           Q.     Go ahead, sir.

3           A.     The comments that Ms. Hipkins made were true  
4 and are true.   And I don't know.   Some of these people  
5 are not on the same water system that I'm on.

6                     I'm on Ozark Mountain.   And I will  
7 guarantee you that if you look at the shower head in my  
8 shower it is red from red clay.

9                     My house is four years old.   It has all  
10 plastic pipe.   There is not one lick of old pipe  
11 anywhere.   There are no flush valves that I'm aware of  
12 any place on any main in this system.   The main that  
13 I'm on is closed off on one end.

14                    The chlorine builds up in that thing --  
15 until the morning when you open the faucet, it will  
16 burn your eyes.   And there are floaties in the water.

17                    My neighbors do not drink the water with  
18 good cause.   And that's all I have to say.

19           Q.     Thank you, sir.   Have you called the company  
20 at all to complain about the chlorine or the other  
21 problems?

22           A.     I have contacted the meter reader multiple  
23 times.   And they tell me that they take a reading and  
24 it's predetermined how much chlorine they have to put  
25 in.

1                   And it's bold. The chlorine varies so much  
2 in that water that you wouldn't even know that it was  
3 ever tested.

4           Q.     I'm sorry. Where -- where in relation to the  
5 well are you? You may have said that.

6           A.     I might be a mile, not any more than that,  
7 from the well head.

8           Q.     Is that like towards the end of the line  
9 or in the middle?

10          A.     Pretty much in the middle of that division.  
11 There's a -- there's a -- there's a line every block  
12 down there.

13                   JUDGE DIPPELL: Thank you. Commissioner  
14 Gunn, did you have questions?

15                   COMMISSIONER GUNN: I don't have any  
16 questions for you. Thank you, sir, for your testimony.

17                   JUDGE DIPPELL: Ms. Baker?

18                                   EXAMINATION

19                   QUESTIONS BY MS. BAKER:

20          Q.     I have a little clarification. You said that  
21 you are on a line where the main is closed off on one  
22 end?

23          A.     Yes, ma'am.

24          Q.     What -- what do you mean by that?

25          A.     It feeds from both ends and they shut it off

1 on one end. Now, I don't know that it's still off, but  
2 it was off for some little time.

3 Q. And how do you know this?

4 A. I talked to the water man.

5 Q. Okay.

6 A. I had quite a problem getting billed, unlike  
7 some of the rest of them. They couldn't figure out  
8 where I was at. I got water, but I couldn't get a  
9 bill.

10 And every time when they came to read the  
11 meter, I would be out there and I would talk to the  
12 meter reader. He said, I know, I don't have a ticket.  
13 I have to handwrite it every time.

14 And I would stand beside him. He would  
15 call in on the telephone, give them all the pertinent  
16 information, and we would stand there and talk.

17 And she would ask some other questions, and  
18 he would have to go back and give her the same  
19 information again. They weren't writing down zip.

20 Q. Because you had a meter but they didn't have  
21 it in their system?

22 A. Right. I got a water bill -- I went out to  
23 the meter reader and I got pretty emphatic. I said I  
24 want a meter reading. I want a bill now. When I got  
25 my bill it was \$450, if I remember correctly, and they

1 gave me three days until it was delinquent.

2 Q. And when was this?

3 A. This would have been three years ago.

4 Q. But it has been fixed now, and you are now a  
5 customer getting regular bills?

6 A. Yeah. I'm a customer. I get -- I'm just  
7 like the rest of them. Sometimes they don't read them  
8 and they estimate them.

9 MS. BAKER: All right. I don't think I  
10 have any other questions. Thank you.

11 JUDGE DIPPELL: Ms. Smith?

12 MS. SMITH: I have no questions. Thank  
13 you.

14 JUDGE DIPPELL: Mr. Krueger?

15 MR. KRUEGER: No questions, Your Honor.

16 JUDGE DIPPELL: Thank you very much, Mr.  
17 Williams.

18 Is there anyone else, Miss Doerhoff?

19 (Witness sworn.)

20 MS. BANTA: I'm Dee Banta.

21 DEE BANTA,

22 being sworn, testified as follows:

23 EXAMINATION

24 QUESTIONS BY JUDGE DIPPELL:

25 Q. Could you spell your name, please?

1           A.     Dee, D-e-e.   Banta, B-a-n-t-a.

2                     Well, I'm like the rest of them.  I think  
3 this -- this is a terribly exorbitant increase and  
4 unwarranted.  But when it comes to the water, I -- I  
5 have a question about that.  I've had a lot of issues  
6 about that.

7                     Right now, after they put this big tall  
8 water tower in, or whatever you want to call it, my  
9 water is brown.  It has stained my containers that I  
10 keep the water in in the refrigerator.

11                    And we've had a lot of bad weather here, so  
12 I have filled up the tub just in case the current had  
13 gone off.  And the other day -- I was going to bring  
14 the towel, I didn't, but I wiped out the tub and I  
15 couldn't believe the brown on the towel.

16                    I said I wondered what this is from.  Then  
17 it dawned on me.  It's the water.  It left the whole  
18 brown film all over the tub.  And it was just water run  
19 in there and just drained out because of the storm,  
20 because we didn't lose electricity.

21                    Also, last year when it comes to the  
22 billing, there is always something going on with that.  
23 And I won't get a bill.  But I always pay the bill  
24 every month.

25                    And then last year I knew about June there

1 would be a primacy fee. And it's always been \$2. So I  
2 paid the bill and I paid the \$2 primacy fee. Then when  
3 I did get a bill, it said it was \$4.

4                   So I called them up and -- and, anyway, the  
5 girl says it's -- it's \$4. I said I was never notified  
6 that there was going to be a change in the primacy fee,  
7 or anything.

8                   Well, that just -- you know, that's what it  
9 was. They never gave me credit for the \$2 that I had  
10 paid. The next bill comes. I said, okay, fine, I'll  
11 tell you how we're going to do this, because they said  
12 where did you come up with this, and she didn't know.  
13 She didn't know how it was figured.

14                   The \$4 was still on there, and I had paid  
15 the other \$2. I said, I'll pay the other \$2 and we're  
16 done with this. Come up I still owed \$4.

17                   I called them again. Well, I guess it just  
18 stays on there until the end of the year. Now, I'll  
19 tell you I got a little hot about that. Because I  
20 said, you mean to tell me you pay a bill and it don't  
21 come off? You keep getting billed for the same thing?  
22 I mean, that just didn't make no sense to me.

23                   And this is just -- this is just the way it  
24 is. I mean, it -- it -- as far as them doing anything,  
25 never -- never have had to boil water. Have had

1 outages. Never was ever notified.

2 I have never had no contact with this  
3 company, other than to have these billing issues, call  
4 about water outages, call about water pressure.  
5 Virtually nothing. I haven't even said anything about  
6 the brown water yet.

7 And I have never been notified about  
8 anything. I live two lots basically from the water  
9 tower. All of a sudden I drive around the other side  
10 of the block and I see this big thing going up. I had  
11 no reason why we're having that. There's been no big  
12 building going on where I am.

13 I'm in Lakeside Heights, which is Ozark  
14 Mountain. But they don't know where Lakeside Heights  
15 is. People don't even know where I live. They don't.

16 Like I said, I just -- and I'm on a fixed  
17 income, and this is just beyond my -- my thinking, that  
18 you can have an increase this exorbitant. Unjustified.  
19 That's it.

20 JUDGE DIPPELL: Thank you, Ms. Banta.  
21 Commissioner Gunn, do you have any questions?

22 EXAMINATION

23 QUESTIONS BY COMMISSIONER GUNN:

24 Q. Just one quick question. Did you ever get  
25 that \$4 issue resolved?

1           A.     I finally -- after some time it finally came  
2 off the bill. It finally came off.

3                   COMMISSIONER GUNN: Great. I don't have  
4 anything else. Thank you.

5                   JUDGE DIPPELL: Ms. Baker, did you have  
6 questions?

7                   MS. BAKER: No. I have no questions. But  
8 thank you for coming.

9                   JUDGE DIPPELL: Ms. Smith?

10                  MS. SMITH: I have no questions. Thank  
11 you.

12                  JUDGE DIPPELL: Mr. Krueger?

13                                 EXAMINATION

14                   QUESTIONS BY MR. KRUEGER:

15                  Q.     Ms. Banta, Did you get the full refund on the  
16 primacy fee?

17                  A.     No. No. I didn't get a refund at all.

18                  Um-um. No. Uh-uh. It --

19                  Q.     Do you know how much --

20                  A.     I don't really know what the primacy fee is,  
21 other than I always paid \$2, and now this -- this past  
22 June I paid \$4. And I know nothing about that.

23                  Q.     So you believe that you have double paid  
24 and --

25                  A.     Yeah. Yeah.

1 Q. And none of it has been refunded; is that  
2 right?

3 A. No. No. No. There has been no refund on  
4 that. Uh-uh.

5 MR. KRUEGER: Thank you. That's all the  
6 questions I have.

7 JUDGE DIPPELL: Thank you. Is there anyone  
8 else?

9 (Witness sworn.)

10 WAYNE CRAWFORD,  
11 being sworn, testified as follows:

12 EXAMINATION

13 QUESTIONS BY JUDGE DIPPELL:

14 Q. Thank you. If you could state your name and  
15 spell it for us, please?

16 A. Wayne Crawford, C-r-a-w-f-o-r-d.

17 Q. Go ahead.

18 A. Pardon me?

19 Q. Go ahead with your comments.

20 A. Primarily, my gripe has been no water  
21 pressure. I live in Tomahawk Heights. I'm just way up  
22 the hill from the new water tank they put in here a  
23 year or two ago. We're on No. 3 well, I believe.

24 And I've complained about this. Mr. Nisley  
25 used to be there. He would come out and check. Rich

1 Gurley would come out and check.

2                   Last month, the highest I ever had was 33  
3 pounds. It went down to 28. I complained to Rich  
4 again. He come out and he said that, well, I don't  
5 understand it. He said your neighbor has 40 pounds.

6                   Now, we live on the top of the hill, the  
7 very highest place in the whole subdivision. And at  
8 any rate, I've had -- I've put in two booster pumps.

9                   I started this about three years ago. They  
10 have a break in the line. I don't know it. No water.  
11 The pump sits there and runs and burns out. I've had  
12 that happen twice.

13                   Well, I finally found out that you can get  
14 a pressure switch that will shut off at ten pounds so  
15 that your pump doesn't burn up. So last month, after  
16 that last one I burn out, I spent over \$400 for a new  
17 booster pump, installed it myself, and I did put the  
18 new pressure regulator on, so that if the water goes  
19 you have -- you know, it won't burn it up.

20                   And I did ask -- I don't know if it was  
21 Rich or Mr. Nisley once, if they could notify me if my  
22 water was going to be off. He explained, no, we can't  
23 do that.

24                   And I can understand because there would be  
25 50 or 100 people they would have to notify in our

1 subdivision. But I'm the only one that has a booster  
2 pump. I live on the top of the hill. He knows me  
3 personally, knows I have that booster pump.

4                   If he knew the water was going to affect me  
5 to be off, he could call me, I would think. And if I  
6 wasn't there, leave a -- you know, that would be my  
7 problem.

8                   But that's the primary thing. Our water is  
9 extremely hard. It's over 200 parts per million. The  
10 total of the solids is extremely high. That leaves a  
11 little powder in your glass, and that sort of thing.

12                   In fact, I use distilled water now for my  
13 tea, because I heat my tea water in the microwave, and  
14 if I do that two or three mornings in a row, it has the  
15 white powdery film inside of it. So I just use  
16 distilled water now, I don't have that problem.

17                   I've had billing issues, too, but it's  
18 nothing that's ever been real serious. And like the  
19 others have, one time it would be the 6th. Next time  
20 it would be the 23rd. I haven't had as much variance  
21 as some of them have said.

22                   Any problems, they have always worked it  
23 out for you, any problem I had with the billing,  
24 like -- I also have mine automatically paid, and they  
25 said, well, you're behind a month.

1                   And I call them up. They said, never mind.  
2 Don't pay it. Just pay the \$20.48. So I haven't had a  
3 real big problem with the billing. I mean, it's been  
4 messed up, but it don't bother me that much.

5                   And they do always -- generally, they  
6 always deduct it the same time of the month. Now it's  
7 just recently it went from the 6th to the 23rd. Maybe  
8 it would be the 6th the next month, the 23rd the next  
9 month.

10                   I've had that the last probably three or  
11 four months, and I don't understand that. But -- and I  
12 think they are fairly prompt in reading our meters  
13 about the same time of the month.

14                   I didn't bring my bills, either, but it  
15 might be 28 days, and 31 days, you know, the next time.  
16 That sort of thing. But I watered the garden, some  
17 flowers, and tried to save part of my lawn last year.  
18 I think this was in July or August.

19                   My bill was \$66 and something at that rate,  
20 at \$20.48 a month. And, I mean, you can't afford to  
21 water your grass. You can't have a garden. You can't  
22 have a lot of flowers. I mean, you can't afford the  
23 water at them kind of rates.

24                   I mean, it's just a shame. So I'm not  
25 watering -- I got a little-bitty garden, very few

1 flowers, just for that reason. I can't save my grass,  
2 you know. I just can't do that, because I have a large  
3 lot, a very large lot. I have a lot of yard.

4           But I know they can't do anything about the  
5 hardness and that, you know. And that's the other  
6 thing. Our water is not treated like a lot of civic  
7 places are, you know. They don't take the hardness out  
8 of that. All we have is chlorine.

9           Occasionally, and I think after this, you  
10 know, we have a break, somebody mentioned they don't  
11 flush the lines. And they don't, because I've watched  
12 them. But I think after we have a break they up the  
13 chlorine, because I've noticed when we have a break  
14 after that, the chlorine smell is -- is strong.

15           Ordinarily, the chlorine is not a problem.  
16 It's just extremely hard water. A lot of solids in it.  
17 And the pressure.

18           And I really think they should reimburse me  
19 for this pump. I mean -- okay, you lose one pound of  
20 pressure in every 2.3 feet of rise.

21           Now, I didn't bring that with me. I had it  
22 all figured out. But I figured from the tower to my  
23 house was just a little bit over a 34 foot rise. So  
24 that's why my pressure is down.

25           I mean, it's just -- when they put in the

1 new tank, I thought, hey, this is going to be all  
2 right. I'm going to have new pressure. And the guy  
3 from the Commission came -- he came to my house twice,  
4 because I wrote in ever since they started this, and he  
5 said, no, that tank is not going to help your pressure.

6 Rich says it's 43 pounds at the bottom of  
7 the water tank, and up in my house it was 23 pounds  
8 last month. And 28 pounds -- I think I figured it at  
9 28 pounds. But, anyhow, you lose one pound of pressure  
10 every 2.3 of rise.

11 Conversely, the pressure goes the other way  
12 when you go downhill. Like the other people said, my  
13 neighbors down the hill, they have got all kinds of  
14 pressure. You know, 60, 70 pounds of pressure, but I  
15 don't.

16 And I did install this new pump. I think  
17 there ought to be some reimbursement for it because  
18 they cannot get my pressure upped on their own, and  
19 they have checked one time, when Mr. Nicely was still  
20 there. They took the meter out, checked the incoming  
21 pressure, and it was the same as the other side.

22 So it was not my plumbing or anything like  
23 that. It was very low on the incoming side of the  
24 meter. And all they would do is go down and try to  
25 boost the pressure up a little bit, but they can't

1 boost it enough to get my pressure up, you know,  
2 because they would blow everybody else off the lines.

3 But it's the -- the pressure is my biggest  
4 gripe. The money thing, that's way out of line, way  
5 out of line. Like everybody else, I never paid that  
6 much for water in my life, and treated water in the  
7 cities, and that.

8 Joplin, Missouri, we lived there for 28  
9 years. Minimum bill was \$8 all the time. We had a  
10 swimming pool that held 11,000 gallons of water. My  
11 bill was about \$30 to fill that.

12 So it's completely outrageous, the rate  
13 increase they are asking for. And that's all.

14 Q. How long have you lived in this area?

15 A. We moved there in 1999. November of 1999,  
16 Tomahawk Heights subdivision.

17 Q. I'm sorry. When did you start having the  
18 pressure problems?

19 A. We've had it -- we've had it forever. I've  
20 complained about it forever. And I've -- I don't  
21 recall who else I talked to about it.

22 Oh, the man that sold me the house, I was  
23 talking to him about it. And he said we had that  
24 problem all the time. And he said they tried to tell  
25 me -- I forget what he said they tried to tell me, but

1 he said it's on their end. They tried to tell me it's  
2 on my end. That's what he said. But, you know --

3 JUDGE DIPPELL: Thank you. Commissioner  
4 Gunn, do you have any questions?

5 COMMISSIONER GUNN: I don't have any  
6 questions. I appreciate it.

7 JUDGE DIPPELL: Ms. Baker, do you have any  
8 questions?

9 MS. BAKER: No. I have no questions. But  
10 thank you.

11 MS. SMITH: I have no questions. Thank  
12 you.

13 MR. KRUEGER: Yes. I have a couple.

14 EXAMINATION

15 QUESTIONS BY MR. KRUEGER:

16 Q. Tomahawk heights is in Ozark Mountain --

17 A. Yes, it is.

18 Q. -- territory; is that right?

19 A. Yes. No. 3 well.

20 Q. And you said you had your pressure tested a  
21 few times?

22 A. Oh, yes. Yes. Many times. In fact --

23 Q. Who did that testing? What?

24 A. Pardon me? Who did it?

25 Q. I didn't hear what you said.

1           A.     It's been tested many times, yes, the  
2 pressure. Is that what you asked me?

3           Q.     That was one of the questions, yes. Who did  
4 these tests for you?

5           A.     Mr. Nisley has done them, who was in charge  
6 of the area.

7           Q.     Who is he?

8           A.     He's no longer with them. He was with  
9 Aqua. Before Aqua came in he was in charge of the  
10 maintenance, and fixing the repairs, and all that.

11                   And he retired. And Mr. Rich Gurley is in  
12 charge of it now. And he comes up and checks it.  
13 And -- well, he was out of town, oh, I don't know, a  
14 month or two ago. And they were going to come up and  
15 check again. We had to go out of town. They were  
16 going to check it again. I never did hear.

17                   They were going to pull the meter again and  
18 check it on that side of the meter, but I haven't heard  
19 anything from them. I just got fed up with it and put  
20 in a new booster pump.

21                   No, I don't think there is anything they  
22 can do.

23           Q.     What?

24           A.     I don't think they can do anything to get my  
25 pressure adequate up here. Like somebody said, it was

1 taking 15 minutes for the washing machine to fill up.  
2 I thought my toilet was leaking it was running so long.  
3 It was just a trickle.

4 Q. When they tested your water, what was the  
5 lowest pressure that was recorded?

6 A. 28. And that was Mr. Gurley's helper tested  
7 it.

8 MR. KRUEGER: Thank you. That's all the  
9 questions I have?

10 MR. CRAWFORD: Okay.

11 JUDGE DIPPELL: Thank you, Mr. Crawford. I  
12 appreciate your testimony.

13 Is there anyone else that would like to  
14 testify?

15 MR. BRAGSON: I have a question I would  
16 like to ask.

17 MS. DOERHOFF: Just a minute, judge. Do  
18 you want to testify, sir?

19 MR. BRAGSON: I did already. There is  
20 something I would like to get clarified.

21 JUDGE DIPPELL: Off the record. I can't  
22 hear him.

23 (Discussion off the record.)

24 MS. DOERHOFF: Let's ask the accountant.  
25 She would be the one that did that. Okay?

1                   Any other testimony? I don't see any,  
2 judge.

3                   JUDGE DIPPELL: All right. I do appreciate  
4 those of you that are still there. Again, I apologize  
5 for the facilities being so cramped, but I appreciate  
6 you all coming out and giving your input.

7                   We can go ahead and go off the record.

8                   (WHEREIN, the hearing concluded at 8:24 p.m.)

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## I N D E X

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CERTIFICATE OF REPORTER  
BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

I, BRENDA J. BOWERS, CCR, CSR, RPR, the officer before whom the foregoing hearing was taken, do hereby certify that the matters stated was taken by me to the best of my ability, and thereafter reduced to typewriting; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

---

Brenda J. Bowers  
Certified Court Reporter